# Refuel. Replenish. Refresh.

TRAVELCENTERS OF AMERICA
Q4 2018

## WARNING CONCERNING FORWARD LOOKING STATEMENTS

THIS PRESENTATION CONTAINS STATEMENTS THAT CONSTITUTE FORWARD LOOKING STATEMENTS WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 AND OTHER SECURITIES LAWS. WHENEVER TA USES WORDS SUCH AS "BELIEVE," "EXPECT," "ANTICIPATE," "INTEND," "PLAN," "ESTIMATE," "WILL," "MAY" AND NEGATIVES OR DERIVATIVES OF THESE OR SIMILAR EXPRESSIONS, TA IS MAKING FORWARD LOOKING STATEMENTS. THESE FORWARD LOOKING STATEMENTS ARE BASED UPON TA'S PRESENT INTENT, BELIEFS OR EXPECTATIONS, BUT FORWARD LOOKING STATEMENTS ARE NOT GUARANTEED TO OCCUR AND MAY NOT OCCUR. ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THOSE CONTAINED IN OR IMPLIED BY TA'S FORWARD LOOKING STATEMENTS AS A RESULT OF VARIOUS FACTORS. YOU SHOULD NOT PLACE UNDUE RELIANCE UPON FORWARD LOOKING STATEMENTS. EXCEPT AS REQUIRED BY LAW, TA DOES NOT INTEND TO UPDATE OR CHANGE ANY FORWARD LOOKING STATEMENT AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

THIS PRESENTATION CONTAINS NON-GAAP FINANCIAL METRICS INCLUDING “EBITDA” AND “ADJUSTED EBITDA” IN THE EXHIBITS SECTION.  RECONCILIATION FOR THOSE METRICS TO THE CLOSEST U.S. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) ARE INCLUDED HERE TO.

# INVESTMENT HIGHLIGHTS

**Barriers to Entry**

One of only three nationwide operators of travel centers in the United States.

**Right Strategy**

Our full service approach is a competitive advantage that allows us to better address fleet company and professional driver challenges.

**Commercial Growth**

Trucking trends present an opportunity for truck stop companies with a full service strategy. TA is positioned to help a broader truck owner market.

**Site Expansion**

TA intends to expand its travel center network, through franchising, acquisitions and development.

**Nonfuel Drivers led by Truck Service, Customer Service and Marketing programs**

TA is expanding its off site truck services, and improving the customer service and marketing programs it employs.

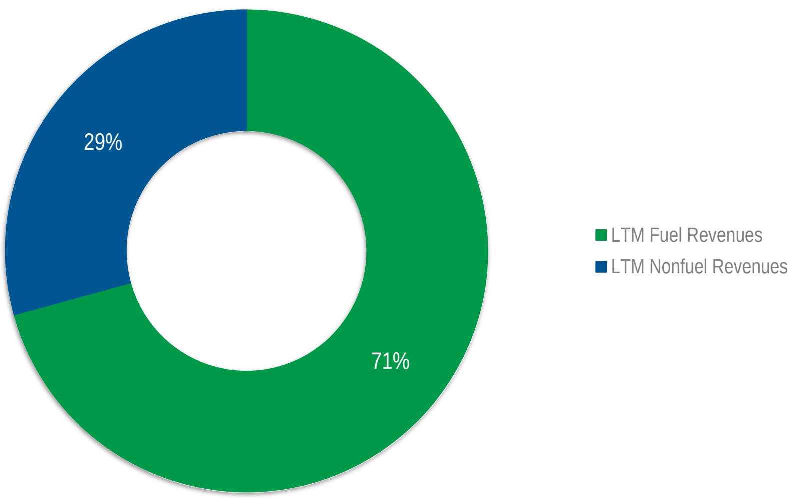
**Cost Controls & Managing Spending**

TA is focused on controlling costs and managing spending.

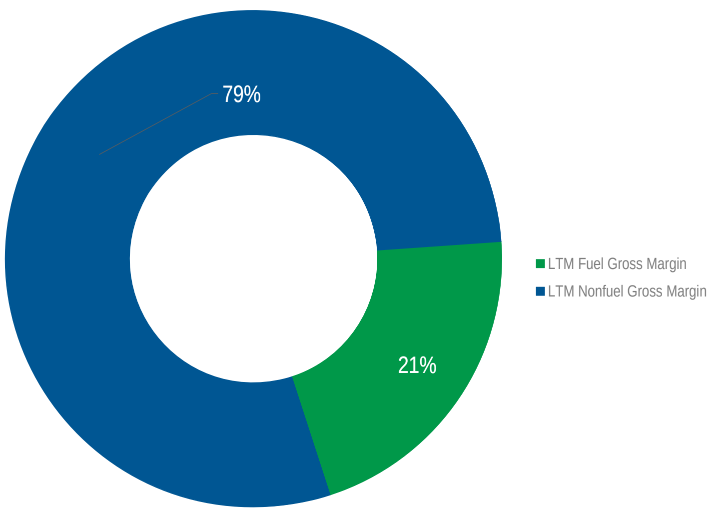
# ONE OF ONLY THREE NATIONWIDE OPERATORS OF TRAVEL CENTERS IN THE UNITED STATES.

- TA's business includes 258 full service travel centers and 43 standalone restaurants.
- TA sells over-the-road diesel fuel, principally to long-haul truckers at TA's truck stops (under the "TA", "Petro Stopping Centers" and "TA Express" brands) and gasoline under multiple oil company brands.
- TA's non-fuel revenue comes from truck repair and maintenance, full service restaurants, quick service restaurants, or QSRs, stores and other amenities and services designed to appeal to the professional driver and other highway travelers.

## FUEL AND NONFUEL REVENUE MIX




## FUEL AND NONFUEL GROSS MARGIN MIX (1)

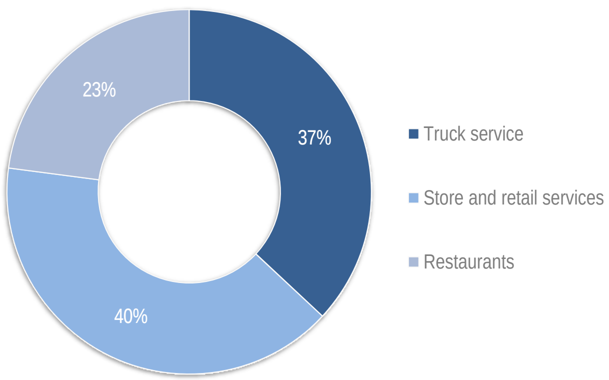



Unless otherwise noted, data reflected in this presentation is as of 12/31/18.
(1) The federal biodiesel tax credit of $23.3 million is a retroactive credit for the full year 2017 and is excluded from the fuel gross margin calculation.

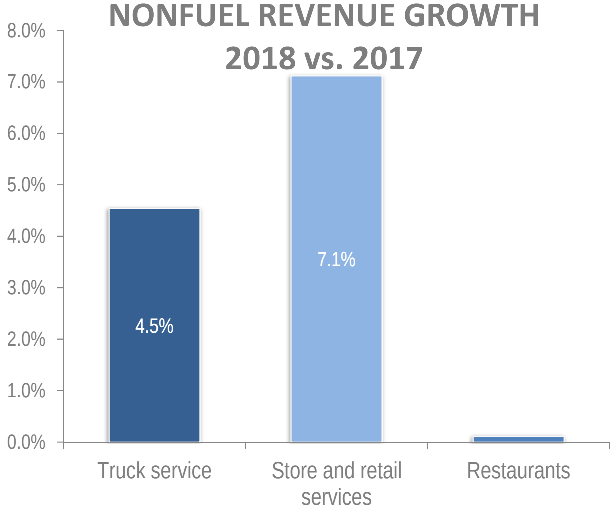
# POWERFUL MODEL

Focused on Expanding TA's Full Service Strategy

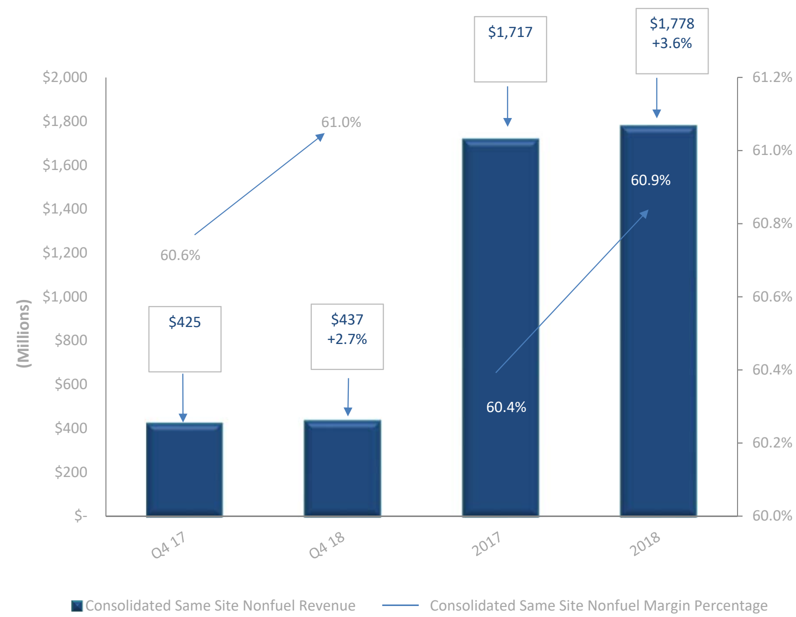
## NONFUEL REVENUE MIX 2018




## NONFUEL REVENUE GROWTH 2018 vs. 2017

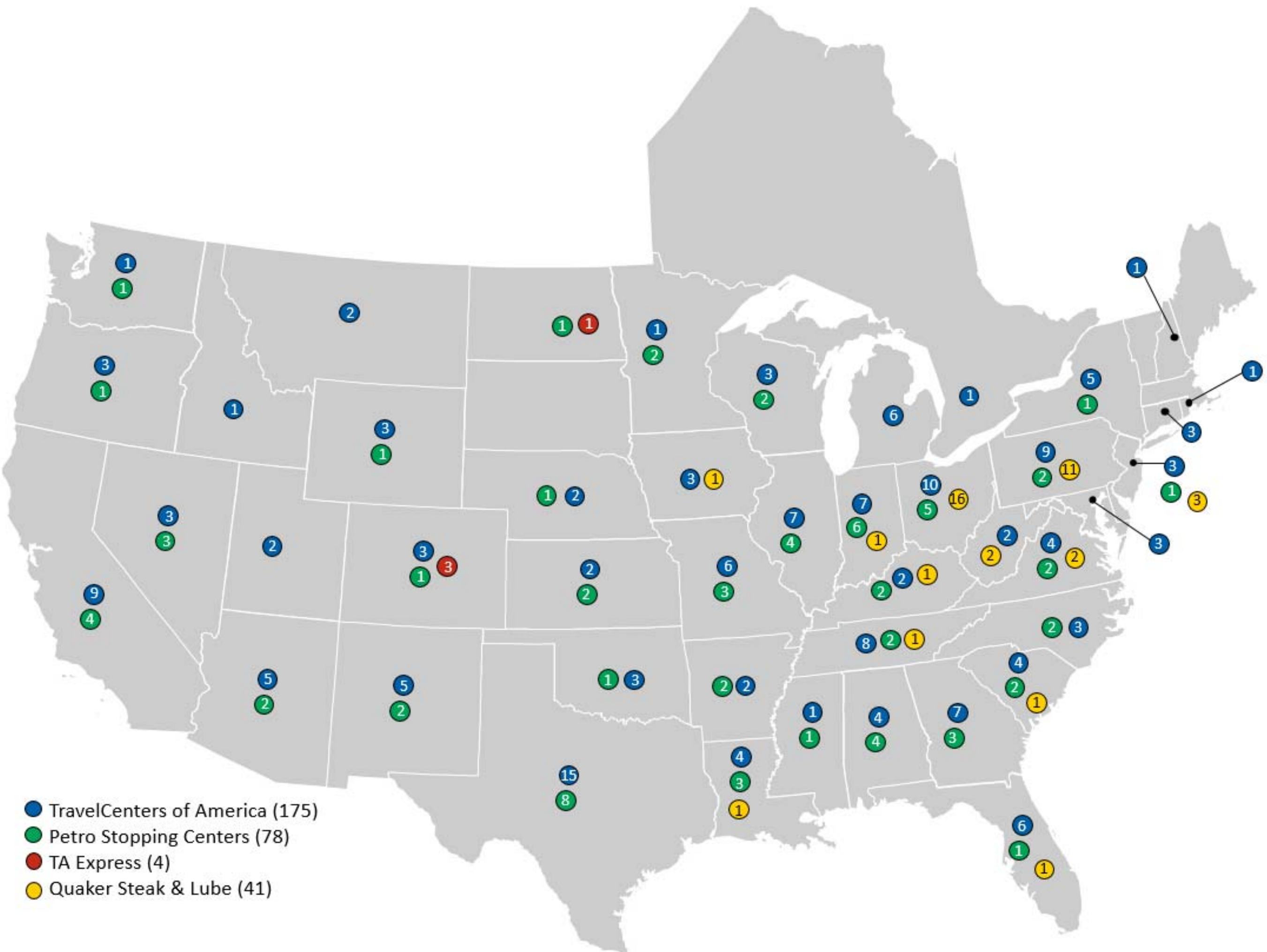



## SAME SITE NONFUEL REVENUES AND NONFUEL MARGIN



# THE TA FOOTPRINT

TA has the geographic footprint in place to support professional drivers and highway motorists.




More than 50% of TA's travel centers are located in the 13 states with the highest concentration of truck traffic.

| State | U.S. Freight Activity Rank (1) | # of TA / Petro Sites |
|---|---|---|
| Texas | 1 | 23 |
| California | 2 | 13 |
| Illinois | 3 | 11 |
| Ohio | 4 | 15 |
| Pennsylvania | 5 | 11 |
| NY, NJ, FL, MI, GA, IN, NC, LA | 6-13 | 59 |
| | Total | 132 |

(1) Source: Bureau of Transportation Statistics 2012 Commodity Flows Survey. Freight activity is ranked by dollar value of total shipment.

# ABOVE THE COMPETITION

For 45 years, TA has been focused on full service due to the value it brings customers and TA. Our two competitors recognize this and they are trying to catch up.

**TRUCK SERVICE**

-Nationwide Truck Maintenance & Repair.
-Roadsquad: Roadside Emergency Service & Call Center Services.
-OnSITE: TA Mobile Maintenance.
-Commercial Tire Network: Independent Tire Dealer.

**STORE/RETAIL SERVICES**

-Fresh Food Offerings.
-Premium Coffee.
-Parking/Showers.
-Tobacco.
-Lottery.
-Driver & Cab Retail Items.
-Scales.

**LARGE SITES**

-A typical site includes ~200 truck parking spaces on ~26 acres that provides more parking, showers, laundry, business center services, fitness and entertainment options than primary competitors.

**FOOD SERVICE**

-247 Casual Dining Restaurant.
-689 Quick Service Restaurant(s) "QSR".
-Grab N Go options.
-Two proprietary casual dining brands Iron Skillet & Country Pride, fast casual offerings like Black Bear Diner, Bob Evans and Fuddruckers.
-49 QSR Brands.

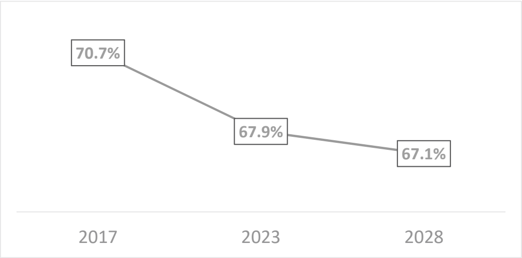
## COMPETITOR SITES

**SMALLER SITES**
A typical site includes ~80 truck parking spaces on ~9-13 acres with fewer services and food service choices.

# SOLID LONG TERM INDUSTRY OUTLOOK

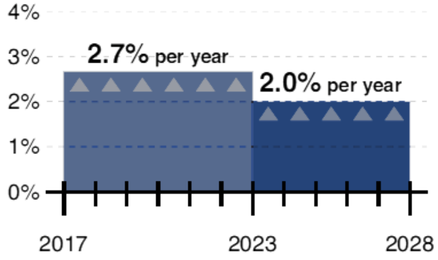
In absolute terms, while trucks' share of total tonnage is projected to decline, its total volume transported is projected to increase substantially more than any other transportation mode.

## TRUCKS' SHARE OF TOTAL TONNAGE [(1)]




## TRUCKLOAD ("TL") VOLUME [(1)]

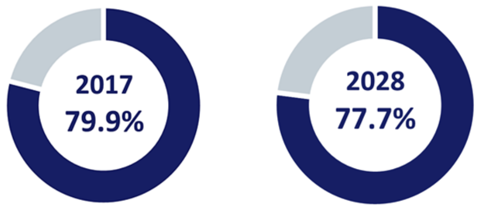
Average Annual Expansion.




Truckload tonnage growth reflects the anticipated performance of key commodities and freight-market segments.

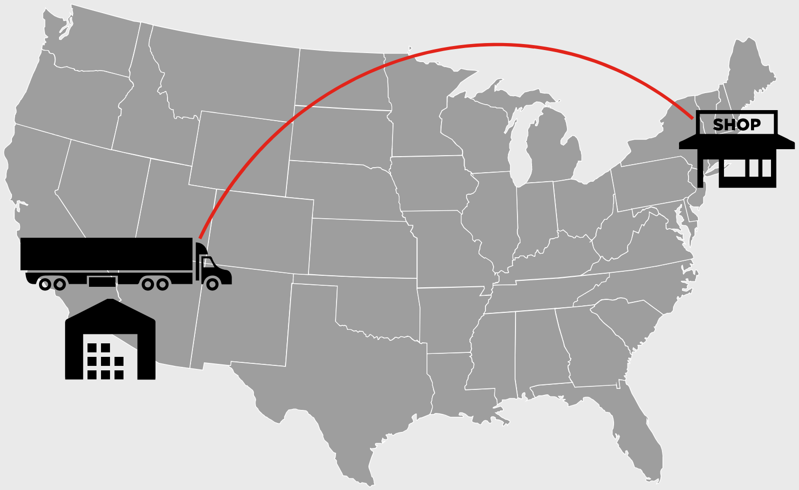
## TRUCKS SHARE OF TOTAL FREIGHT REVENUE [(1)]

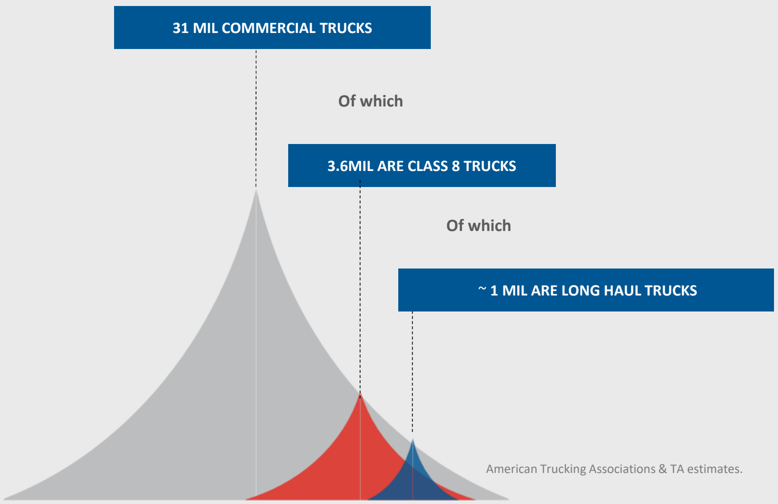
Estimated




(1) American Trucking Associations: The U.S. Freight Transportation Forecast.

## TA's primary focus has been to provide fuel and nonfuel products and services to long haul truck drivers.



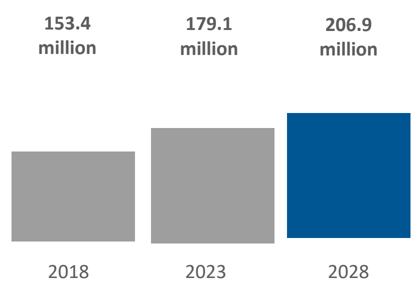




American Trucking Associations & TA estimates.

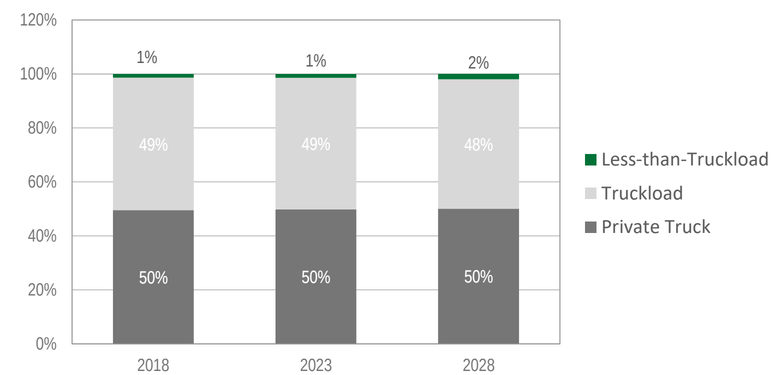
# THE CHANGING LANDSCAPE

The maturation of online spending continues and this is contributing to how goods are trucked. It is expected there will be more trucks delivering more packages via shorter hauls. These deliveries are occurring through LTL, TL with LTL capabilities and private truck companies at the expense of certain truck load carriers. (1) But TL carriers are expected to remain significant.

## GROWTH IN LESS-THAN-TRUCKLOAD ("LTL") TONNAGE (2)



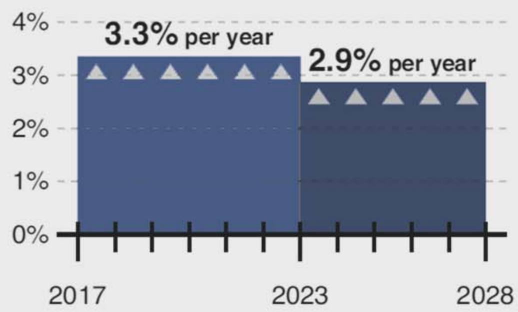

## TRUCKLOAD TONNAGE (2)




(1) Stifel Nicolaus
(2) American Trucking Associations: The U.S. Freight Transportation Forecast.

## LESS-THAN-TRUCKLOAD-VOLUME ("LTL")

Average Annual Expansion.




# DRIVER SHORTAGE

In many cases, fleets are looking for solutions like TA to help them maximize driver retention.

**There is a driver shortage in the for-hire truckload industry(1). Increasing federal regulation and restrictions are contributing to the shortage and affecting driver/fleet profitability:**

SAFETY REGULATION ENFORCEMENT + DRIVER HOURS OF SERVICE + ELECTRONIC LOGGING DEVICES + PENALTIES FOR PARKING ILLEGALLY

**= Fleets Are Looking For Solutions To Increase Driver Satisfaction + Driver Efficiency Which Can Help Retain Drivers.**

| Area | Category | 2011 | 2016 | 2018 |
|---|---|---|---|---|
| | | Driver Preference for TA and Petro vs. Next Closest Truck Stop Brand | | |
| Overall | Best Truck Stop Experience | 3 to 1 | 5 to 1 | 6 to 1 |
| | Most Comprehensive Driver Services | 4 to 1 | 5 to 1 | 7 to 1 |
| Parking Lots | Largest | 3 to 1 | 7 to 1 | 6 to 1 |
| | Easiest to Maneuver | 3 to 1 | 6 to 1 | 5 to 1 |
| Restaurants | Best Overall Experience | - | 5 to 1 | 6 to 1 |
| | Best Overall Food | 4 to 1 | 6 to 1 | 6 to 1 |
| Truck Repair & Maintenance | Best Overall Maintenance Shops | 4 to 1 | 4 to 1 | 5 to 1 |
| | Most Complete Services | 5 to 1 | 7 to 1 | 7 to 1 |
| | Best Roadside Assistance | - | 4 to 1 | 4 to 1 |


(1) American Trucking Associations:.

# SITE EXPANSION

TA intends to provide a larger number of stopping points for customers in 2019.

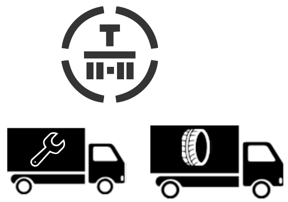
- TA intends to selectively franchise, acquire or develop full service travel centers where demand exists in its network.

- TA intends to franchise, acquire or develop smaller format TA Express travel centers to complement TA's full service network.

TA's goal is to add twenty sites to its network in 2019, primarily through franchising.

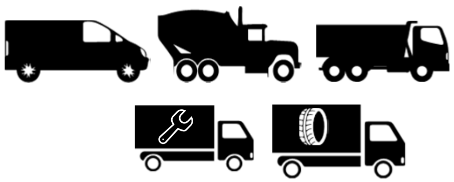
# TRUCK SERVICE
# NEW SOLUTIONS. NEW CUSTOMERS.

TA is investing in truck service to (1) meet the expanding needs of TA's traditional customers as they participate in long haul and LTL deliveries and (2) to expand the universe of customers TA serves.



TRADITIONAL CUSTOMERS: SOLUTIONS FOR CLASS 8 TRUCKS AT TERMINALS AND TRAILER YARDS.

TRADITIONAL CUSTOMERS: EXPAND CUSTOMER COVERAGE TO INCLUDE CLASS 4-7 TRUCKS.



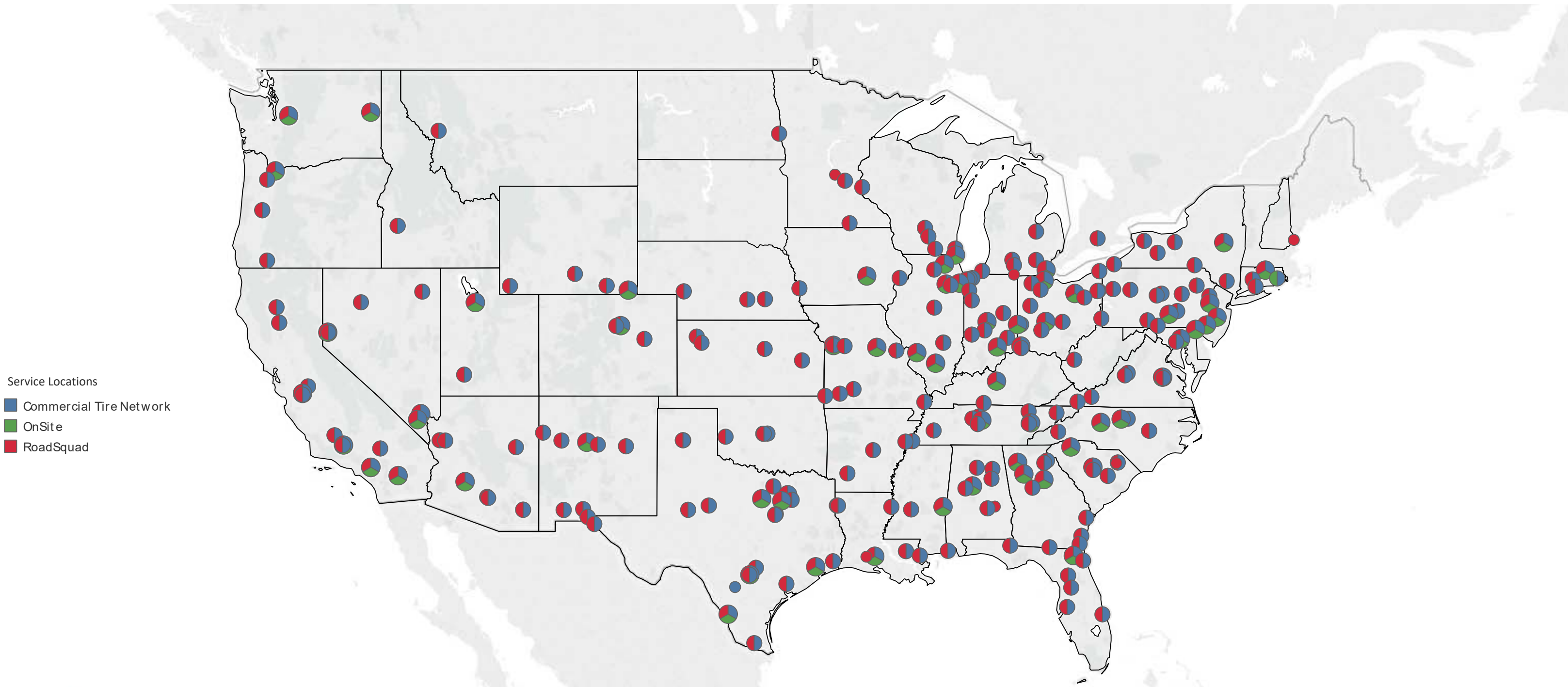
NONTRADITIONAL CUSTOMERS: RETAILERS' PRIVATE, FOR-HIRE FLEETS AND SMALL-TO-MEDIUM BUSINESSES WITH CLASS 4-7 TRUCKS.

TA Truck Service, Commercial Tire Network, OnSITE and RoadSquad provide traditional and nontraditional customers with a single source, nationwide solution for tires, quality parts, maintenance and repair services without limitation to where or when the service is performed.

In the fourth quarter 2018:

- ✓ Tire unit sales increased 5% versus the same quarter last year.
- ✓ RoadSquad work orders increased by 8.2% versus the same quarter last year.
- ✓ OnSite work orders increased 90% versus the same quarter last year.

# TRUCK SERVICE: ONSITE, COMMERCIAL TIRE NETWORK & ROADSQUAD





Extend maintenance, repair and inspection solutions beyond TA's truck bays with TA vehicles going to the customer.

Services include truck & trailer maintenance, ELD installations, trailer rebranding, trailer repairs, GPS installation, DOT inspection and certifications.


Provide brands and capabilities of an independent tire dealer at customer locations.

Services include multiple tire and retread brands, location deliveries, casing management program.


Provide emergency service call center support and roadside repair service 24/7/365.

Services include roadside truck repair, call center, tire & repair, shift support and maintenance centralization.

# CUSTOMER PROFILES

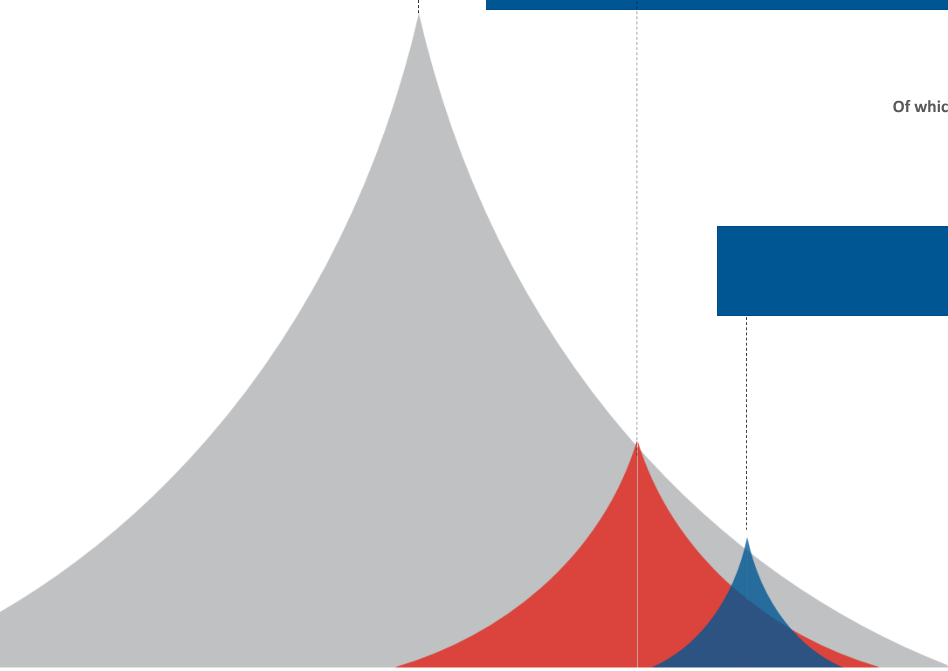
31 MIL COMMERCIAL TRUCKS

Of which

3.6MIL ARE CLASS 8 TRUCKS

Of which

~ 1 MIL ARE LONG HAUL TRUCKS



CUSTOMER

Altec

A company responsible for thousands of utility trucks utilize terminals across the country to service their boom and lift equipment. They are pleased to meet a coast to coast provider that can perform traditional chassis work. Altec also needs help debranding and inspecting vehicles being turned in from leasing programs.

CUSTOMER

An online retailer with a growing fleet of trailers requires mobile maintenance and roadside assistance in addition to in-bay services to ensure its logistics operations run smoothly.

CUSTOMER

KNIGHT TRANSPORTATION

SWIFT

Combining services like fuel, large full service travel centers, roadside emergency repair and call center support so a fleet can devote resources to its core business.

# FOCUS ON CUSTOMER SERVICE

TA unveiled an improved UltraONE customer loyalty program in January that rewards professional drivers for their business and loyalty in redefined ways.


## TA's ULTRA ONE LOYALTY PROGRAM IS UNIQUE

-Drivers can earn points more quickly, based on fuel volume from the previous month.
-Drivers have two ways to earn rewards which provides them with more flexibility in their reward redemptions.

# RETAIL SERVICES & RESTAURANTS

TA is focused optimizing retail services, pursuing strategies to attract more restaurant customers and controlling restaurant operating costs.


## RESERVE IT

Optimize Reserve It! Parking at truck stops.

## FULL SERVICE RESTAURANTS

Replace Casual Dining Restaurant Brand with better known Consumer Brand.

Optimize Operating Hours and Labor Costs.


## QUICK SERVICE RESTAURANTS

Replace Casual Dining Restaurant Brand with better known Consumer Quick Service Restaurant Brand.

# COST/SPENDING CONTROL

While TA positions itself to compete in a broader market, the company is focused on controlling costs and managing spending.

## CONTROL COSTS and MANAGE SPENDING 2019

Rent Expense:
-Rent Renegotiation with landlord, Hospitality Properties Trust (HPT)
Site level Operating Expense:
- IT Implementation to help reduce costs in restaurants
-Site level labor efficiencies
Expenditures:
-Estimate Sustaining Capital Amounts of ~$30 million.
-Overall net Capital Expenditure amounts spend ~$100 million.

The combination of TA's site expansion, nonfuel, customer service and costs savings initiatives should lead to a much improved Net Income and Adjusted EBITDA result in 2019 compared to 2018.

# JANUARY 2019 TRANSACTION WITH HPT

TA used proceeds from the sale of its standalone convenience store portfolio to acquire properties and amend leases with landlord, HPT.

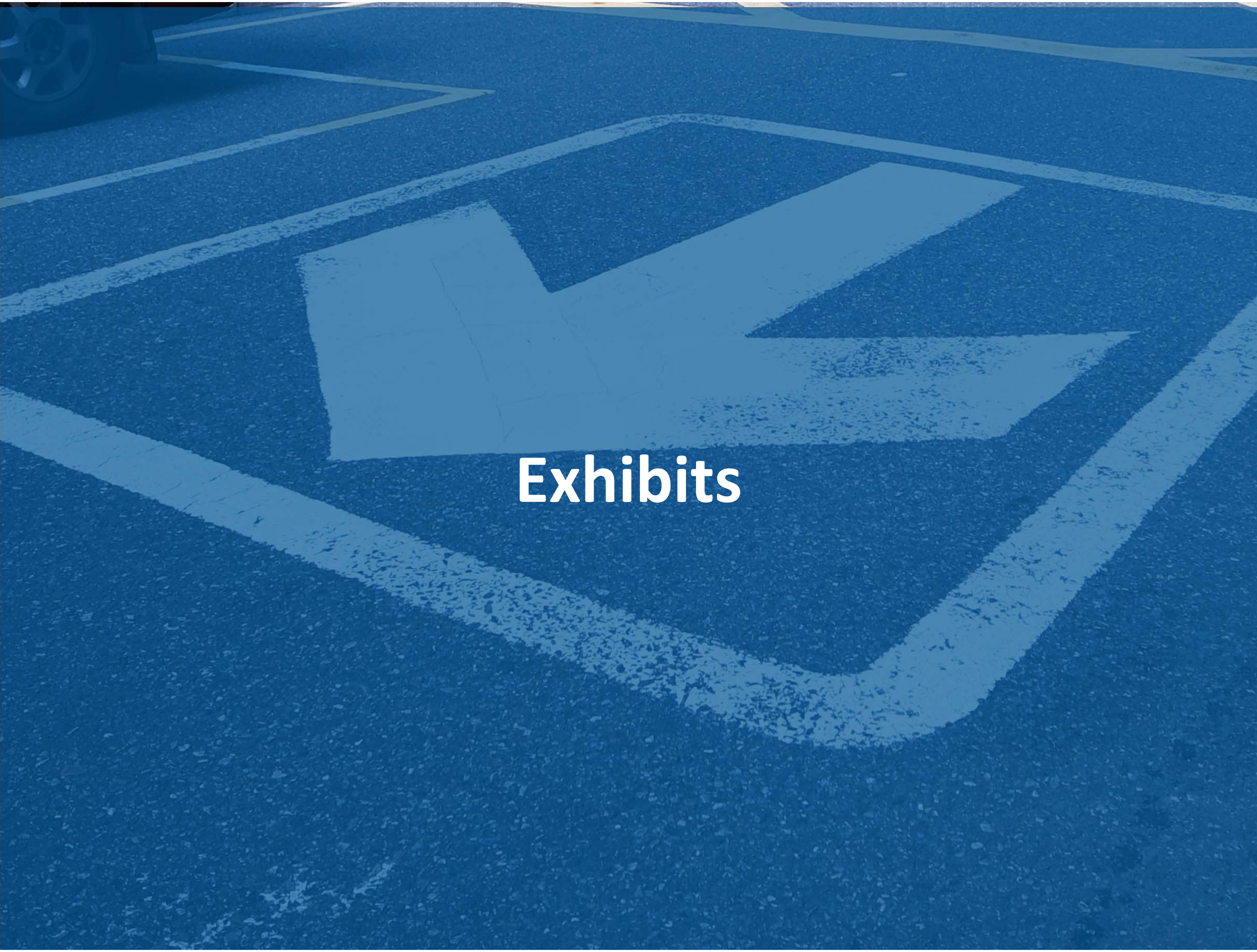
## TRANSACTION RESULTS IN RENT SAVINGS OF $43.1 MILLION

- **In January, TA purchased 20 travel centers from HPT for $308.2 million.**
  -TA previously operated the travel centers, which are located in 15 states.
  -TA continues to lease 179 properties under its five leases with HPT.

- **TA's aggregate minimum annual rent due to HPT is reduced by $43.1 million and the term of each lease is extended.**
  -Upon completion of TA's acquisition of the 20 travel centers, the aggregate minimum annual rent due under TA's five leases with HPT will be reduced to $243.9 million.
  -TA and HPT have agreed to extend the term of each lease by three years.

- **TA will repay its $150 million deferred rent obligation to HPT at a discounted amount of $70.5 million.**
  -The $70.5 million of deferred rent will be paid to HPT in 16 equal quarterly installments beginning on April 1, 2019. This obligation previously had been payable in five installments at staggered due dates between June 2024 and December 2030.

- **The lease amendments will increase the potential percentage rent payable by TA to HPT beginning in 2020 by an amount equal to 0.5% of the excess of nonfuel revenues at each leased site over the nonfuel revenues for 2019.**



# Exhibits

# EXHIBIT A

## Consolidated Statements of Operations

| ($ in thousands except per share data) | Three Months Ended December 31, 2018 | 2017 |
|---|---|---|
| Revenues: | | |
| Fuel | $ 1,086,987 | $ 970,999 |
| Non fuel | 442,404 | 425,870 |
| Rent and royalties | 4,121 | 4,192 |
| Total revenues | 1,533,512 | 1,401,061 |
| | | |
| Gross margin: | | |
| Fuel | 85,904 | 68,307 |
| Non fuel | 269,761 | 258,913 |
| Rent and royalties | 4,121 | 4,192 |
| Total gross margin | 359,786 | 331,412 |
| | | |
| Site level operating expense | 229,513 | 211,937 |
| Selling, general & administrative | 38,091 | 37,019 |
| Rent expense | 71,440 | 69,811 |
| Depreciation and amortization | 21,103 | 22,504 |
| | | |
| Loss from continuing operations | $ (361) | $ (9,859) |
| | | |
| Loss from discontinued operations, net of taxes | $ (7,834) | $ (17,732) |
| Net (loss) attributable to common shareholders | $ (5,949) | $ (20,742) |
| Net (loss) per common share attributable to common shareholders | $ (0.15) | $ (0.52) |

# EXHIBIT B

## Consolidated Calculation of Adjusted EBITDA

| *($ in thousands)* | Three Months Ended December 31, 2018 | 2017 |
|---|---|---|
| **Calculation of EBITDA & Adjusted EBITDA:** | | |
| Net (loss) Income | $ (5,922) | (20,710) |
| Less: (Income) loss from discontinued operations, net of taxes | (1,051) | 6,791 |
| (Loss) from continuing operations | (6,973) | (13,919) |
| Less: Benefit for income taxes | (861) | (3,813) |
| Add: Depreciation and amortization | 21,103 | 22,504 |
| Add: Interest expense, net | 7,040 | 7,278 |
| **EBITDA** | **$ 20,309** | **$ 12,050** |
| Add: Costs of HPT transaction[1] | 364 | - |
| Add: Executive officer retirement agreement expenses[2] | - | 1,089 |
| Add: Comdata legal expenses[3] | - | 567 |
| **Adjusted EBITDA** | **$ 20,673** | **$ 13,706** |

1. Costs of HPT Transaction. In January 2019, TA acquired from HPT 20 travel centers it previously leased from HPT for $308.2 million and amended its leases with HPT. During the three months and year ended December 31, 2018, TA incurred $0.4 million of expenses associated with those transactions.

2. Executive Officer Retirement Agreement Expenses. As part of TA's retirement agreements with certain former officers, TA agreed to accelerate the vesting of previously granted share awards and to pay an additional $1.5 million of cash. These accelerated vesting and cash payment resulted in additional compensation expense of $3.6 million for the year ended December 31, 2018 (all in the first six months), and $1.1 million and $1.5 million for the three months and year ended December 31, 2017, respectively.

3. During the three months ended December 31, 2017, TA incurred $0.6 million of legal fees in its litigation with Comdata Inc. For more information regarding TA's litigation with Comdata Inc., refer to TA's Form 10-Q filed for the quarterly period ended September 30, 2018.

# EXHIBIT C

## TravelCenters Same Site Operating Data: Fourth Quarter 2018

| (in thousands) | Three Months Ended December 31, 2018 | Three Months Ended December 31, 2017 | % change year over year |
|---|---|---|---|
| Fuel Volume | 460,033 | 460,503 | -0.1% |
| Nonfuel Revenues | $ 1,058,645 | $ 954,422 | 10.9% |
| | | | |
| Fuel gross margin | 85,393 | 67,691 | 26.2% |
| Nonfuel gross margin | 266,360 | 257,702 | 3.4% |
| **Total gross margin** | **$ 351,753** | **$ 325,393** | **8.1%** |
| | | | |
| Site level operating expenses | 225,319 | 211,038 | 6.8% |
| **Site level gross margin in excess of site level operating expenses** | **$ 126,434** | **$ 114,355** | **10.6%** |
| Add: Executive officer retirement agreement expenses[(1)] | - | 1,089 | |
| Add: Comdata legal expenses[(2)] | - | 567 | |
| **Adjusted site level gross margin in excess of adjusted site level operating expenses** | **$ 126,434** | **$ 116,011** | **9.0%** |

1. Executive Officer Retirement Agreement Expenses. As part of TA's retirement agreements with certain former officers, TA agreed to accelerate the vesting of previously granted share awards and to pay an additional $1.5 million of cash. These accelerated vesting and cash payment resulted in additional compensation expense of $3.6 million for the year ended December 31, 2018 (all in the first six months), and $1.1 million and $1.5 million for the three months and year ended December 31, 2017, respectively.

2. During the three months ended December 31, 2017, TA incurred $0.6 million of legal fees in its litigation with Comdata Inc. For more information regarding TA's litigation with Comdata Inc., refer to TA's Form 10-Q filed for the quarterly period ended September 30, 2018.

# EXHIBIT D

## Consolidated Balance Sheet

| ($ in thousands) | December 31, 2018 | December 31, 2017 |
|---|---|---|
| **Assets** | | |
| Cash and Cash equivalents | $ 314,387 | $ 35,526 |
| Accounts receivable, net | 97,449 | 125,501 |
| Inventory | 196,721 | 186,867 |
| Other current assets | 35,119 | 27,015 |
| Current assets of discontinued operations | - | 23,609 |
| **Total current assets** | **643,676** | **398,518** |
| | | |
| Property and equipment, net | 628,537 | 613,196 |
| Goodwill and intangible assets, net | 48,146 | 50,351 |
| Other noncurrent assets | 121,749 | 89,955 |
| Noncurrent assets of discontinued operations | - | 466,112 |
| **Total assets** | **$ 1,442,108** | **$ 1,618,132** |
| | | |
| Liabilities and Shareholders' Equity | | |
| Accounts payable | $ 120,914 | $ 155,581 |
| Current HPT Leases liabilities | 42,109 | 41,389 |
| Other current liabilities | 125,668 | 128,017 |
| Current liabilities of discontinued operations | - | 2,311 |
| **Total current liabilities** | **288,691** | **327,298** |
| | | |
| Long term debt, net | 320,528 | 319,634 |
| Noncurrent HPT Leases liabilities | 353,756 | 368,782 |
| Other noncurrent liabilities | 28,741 | 27,376 |
| Noncurrent liabilities of discontinued operations | - | 8,547 |
| **Total liabilities** | **991,716** | **1,051,637** |
| | | |
| Shareholders' equity (40,402 and 39,984 common shares outstanding at December 31, 2018 and December 31, 2017, respectively) | 450,392 | 566,495 |
| **Total liabilities and shareholders' equity** | **$ 1,442,108** | **$ 1,618,132** |

Note: Total assets, current liabilities and noncurrent liabilities will each increase significantly in Q1 2019 due to the adoption of the new lease accounting standard that is effective January 1, 2019.

# EXHIBIT E

## Pro Forma Financial Information

| *(dollars in thousands)* | Actual Year Ended December 31, 2018[1] | Adjustments[2] | Pro Forma Year Ended December 31, 2018 |
|---|---|---|---|
| **Calculation of EBITDA and Adjusted EBITDA:** | | | |
| Net (loss) Income | $ (120,404) | | $ (120,404) |
| Less: (Income) loss from discontinued operations, net of taxes | 117,631 | | 117,631 |
| (Loss) Income from continuing operations | $ (2,773) | $ 18,758 | $ 15,985 |
| (Less)/Add: income taxes | (1,574) | 6,153 | 4,579 |
| Add: Depreciation and amortization | 83,179 | 18,237 | 101,416 |
| Add: Interest expense, net | 29,003 | - | 29,003 |
| EBITDA(3) | 107,835 | 43,148 | 150,983 |
| Add: Costs of HPT transaction [4] | 364 | | 364 |
| Add: Executive officer retirement agreement expenses[5] | 3,571 | - | 3,571 |
| Less: Comdata legal expenses[6] | (9,967) | - | (9,967) |
| Less: Federal biodiesel tax credit[7] | (23,251) | - | (23,251) |
| Adjusted EBITDA[3] | $ 78,552 | $ 43,148 | $ 121,700 |

1. On September 1, 2018, TA entered an agreement to sell its convenience stores business and the convenience stores business was classified as held for sale and the related results of operations were reclassified as a discontinued operation for all prior periods as presented in TA's Form 10-Q for the quarterly period ended September 30, 2018 and Form 10-K for the year ended December 31, 2018. Accordingly, TA's results from continuing operations for the year ended December 31, 2018, exclude the results of the convenience stores business.

2. The pro forma adjustments for the year ended December 31, 2018, include the aggregate effects of the transactions contemplated by the Transaction Agreements TA entered on January 16, 2019, including, among other things, TA's purchase from HPT of 20 travel centers historically leased from HPT and a reduction of TA's rent payable to HPT. These pro forma adjustments assume the transaction occurred on January 1, 2018, and include (1) reduction of annual minimum rent of $43,148 TA will realize pursuant to the Transaction Agreements if all 20 properties are purchased and (2) additional depreciation of $18,237 related to the assets TA is acquiring as a result of purchasing these travel centers. The net effect of the pro forma adjustments is tax affected in the amount of $6,153, which was determined using TA's statutory income tax rate of 24.7%.

3. EBITDA and Adjusted EBITDA are non-GAAP financial measures calculated as presented in the tables above. TA believes EBITDA and Adjusted EBITDA provide useful information to investors because by excluding the effects of certain amounts, such as income tax expense, depreciation and amortization, interest expense, certain transaction costs, executive officer retirement agreement expenses, certain legal fees, and federal biodiesel tax credits, these non-GAAP measures may facilitate a comparison of current operating performance with TA's historical operating performance and the performance of other companies. EBITDA and Adjusted EBITDA do not represent cash generated by operating activities in accordance with GAAP and should not be considered alternatives to net income, net income attributable to common shareholders, income from continuing operations or operating income or as a substitute for GAAP financial measures. These measures should be considered in conjunction with net income, net income attributable to common shareholders, income from continuing operations and operating income as presented in TA's condensed consolidated statements of income. Also, other companies may calculate EBITDA and Adjusted EBITDA differently than we do.

4. In January 2019, TA acquired from HPT 20 travel centers it previously leased from HPT for $308.2 million and amended its leases with HPT. During the year ended December 31, 2018, TA incurred $364 of expenses associated with those transactions.

5. As part of TA's retirement agreements with certain former officers, TA agreed to accelerate the vesting of previously granted share awards and to pay an additional cash payment in the amount of $1,505. This acceleration and cash payment resulted in additional compensation expense of $3,571 for the year ended December 31, 2018. For more information regarding the retirement agreements TA entered into with certain former officers, refer to TA's Form 10-K for the year ended December 31, 2018.

6. During the year ended December 31, 2018, TA incurred the final $115 of legal fees in connection with its litigation with Comdata Inc. TA's legal expenses related to this matter totaled $10,633. On April 9, 2018, the Court of Chancery of the State of Delaware, or the Court, entered its final order and judgment, or the Order. Pursuant to the Order, Comdata Inc. was required to, among other things, reimburse TA for attorneys' fees and costs, together with interest, in the amount of $10,650, which TA collected in April 2018. As a result, TA recognized a $10,082 reduction in selling, general and administrative expenses. For more information regarding TA's litigation with Comdata Inc., refer to TA's Form 10-Q filed for the quarterly period ended September 30, 2018.

7. On February 8, 2018, U.S. federal legislation was passed that retroactively reinstated the 2017 federal biodiesel tax credit. The federal biodiesel tax credit for 2017 was $23,251 and was recognized in the year ended December 31, 2018. For more information regarding the biodiesel tax credit, refer to TA's Form 10-K for the period ended December 31, 2018.

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Q4 2018