



## Forward-Looking Statements

This presentation, and certain information that management may discuss in connection with this presentation, contains certain statements that are not historical facts, including information concerning possible or assumed future results of our operations. Those statements constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (The "Reform Act"). For all forward-looking statements, we claim the protection of the safe harbor for forward-looking statements contained in the Reform Act.

Many important factors could affect our future results and could cause those results to differ materially from those expressed in or implied by our forward-looking statements. Such factors, all of which are difficult or impossible to predict accurately, and many of which are beyond our control, include but are not limited to those identified under the caption "Forward-Looking Statements" in our news release issued on January 13, 2014 and in the "Special Note Regarding Forward-Looking Statements and Projections" and "Risk Factors" sections of our most recent Form 10-K / Form 10-Qs.

The Company is currently in the process of finalizing its financial results for the three months and full year ended December 29, 2013. All financial results for those periods included in this presentation, or discussed by management in connection with this presentation, are unaudited preliminary estimates and represent the most current information available to management. Therefore, it is possible that actual results may differ materially from these estimates due to the completion of financial closing procedures, final adjustments and other developments that may arise between now and the time the financial results for the three months and full year ended December 29, 2013 are finalized. Accordingly, readers should not place undue reliance on these estimates.

## Non-GAAP Financial Measures

In addition, this presentation and certain information management may discuss in connection with this presentation reference non-GAAP financial measures, such as adjusted earnings before interest, taxes, depreciation and amortization, or adjusted EBITDA, and adjusted earnings per share. Adjusted EBITDA and adjusted earnings per share exclude certain expenses, net of certain benefits. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures are provided in the Appendix to this presentation, and are included in our news release issued on January 13, 2014 and posted on [www.aboutwendys.com](http://www.aboutwendys.com).

**EMIL BROLICK**

President & CEO



# 2013 Very Rewarding Year

- Delivered Adjusted EBITDA growth of 10.1% and Adjusted EPS growth of 71% to 76%
- Achieved Image Activation (IA) growth targets ...100 Company, 99 Franchise\*
- System Optimization successfully launched, 384 of 415 restaurants sold/in contract or LOI: reduction of \$30 million in G&A on track for 2H 2014
- Provided 89% total shareholder return, including returning \$141 million cash to shareholders
- Regaining product innovation leadership with the successful launch of Pretzel Bacon Cheeseburger, Pretzel Pub Chicken and Bacon Portabella Melt on Brioche
- Revitalizing brand proposition to “A Cut Above” through our “Recipe to Win”

\* Open/Under Construction

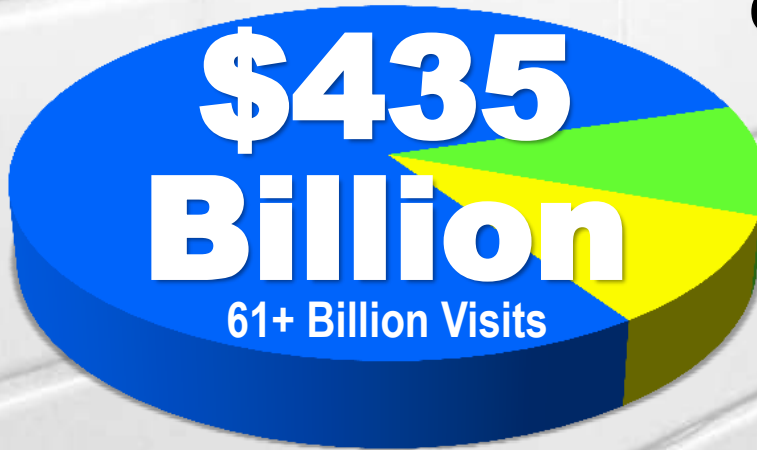
## Wendy's “A Cut Above” Investment

- “A Cut Above” Brand Positioning Is Unique, It's Working, Has Legs
- IA Repositioning Restaurant Experience To “New QSR” Standard
- Product/Price Segmentation Differentiating Brand And Growing SRS
- System Optimization Impact, EBITDA Neutral, Lifting Margins, Increasing Earnings Quality
- New Leadership Team, Building 5-Star Organization Talent
- Returning Significant Cash To Shareholders While Reinvesting
- Excellent TSR Potential With Growth & Income

# GROWTH...The Imperative

## 2013 Restaurant Industry Sales

**QSR**  
**79%**



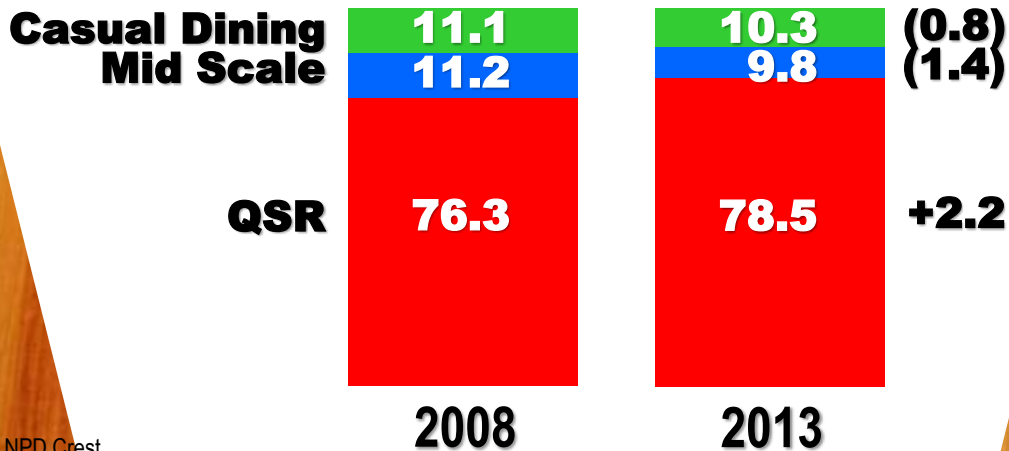
**Casual Dining**  
**10%**

**Mid Scale**  
**10%**

Source: NPD Crest

## QSR BEST DELIVERS ON CONVENIENCE & VALUE NEEDS

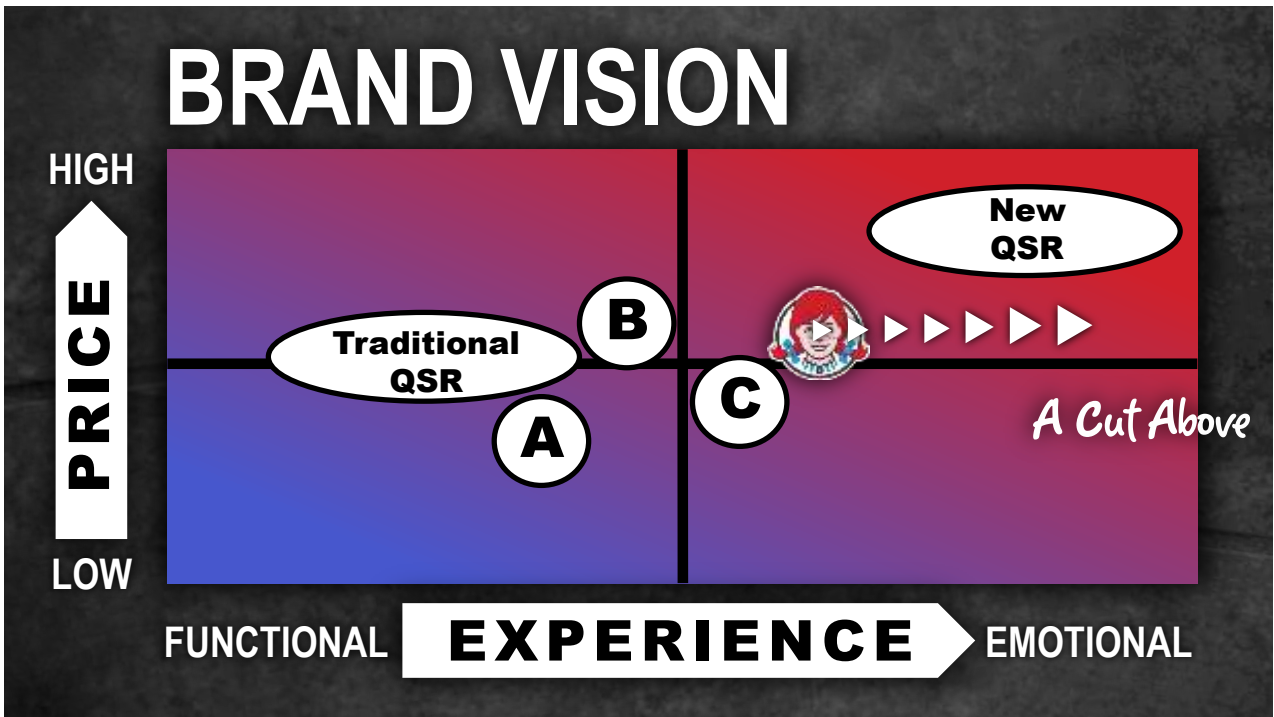
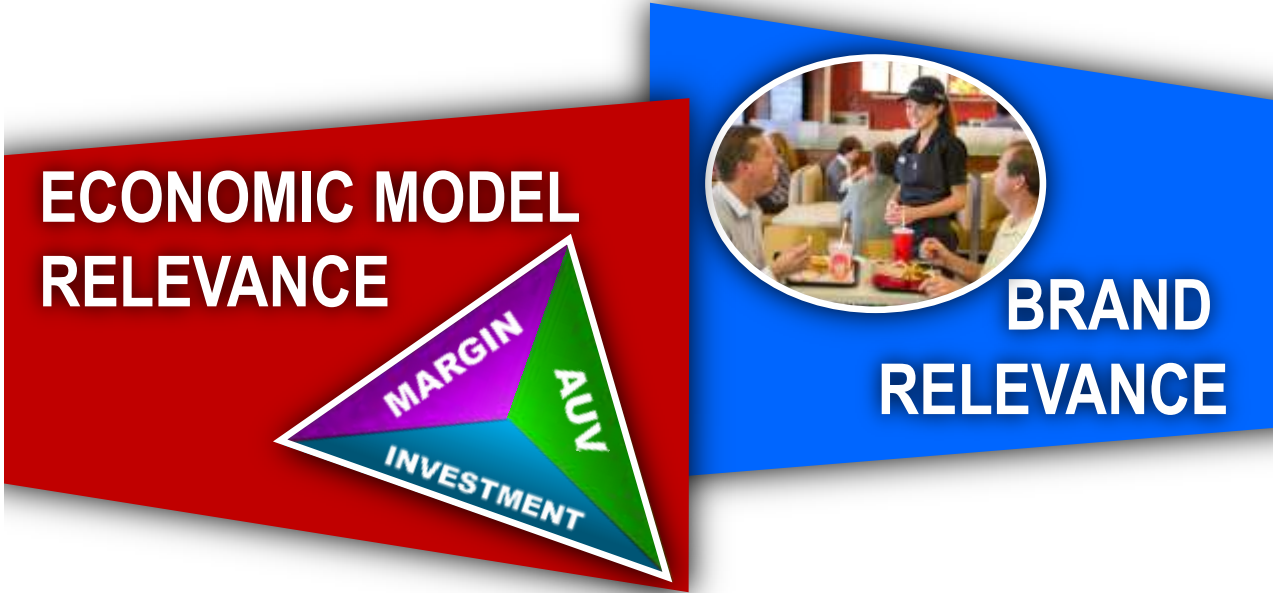
### Traffic Share Y/E November



Source: NPD Crest



# KEY BRAND GROWTH DRIVERS



# RECIPE TO WIN

# PROFIT

**PEOPLE** 5-Star Talent

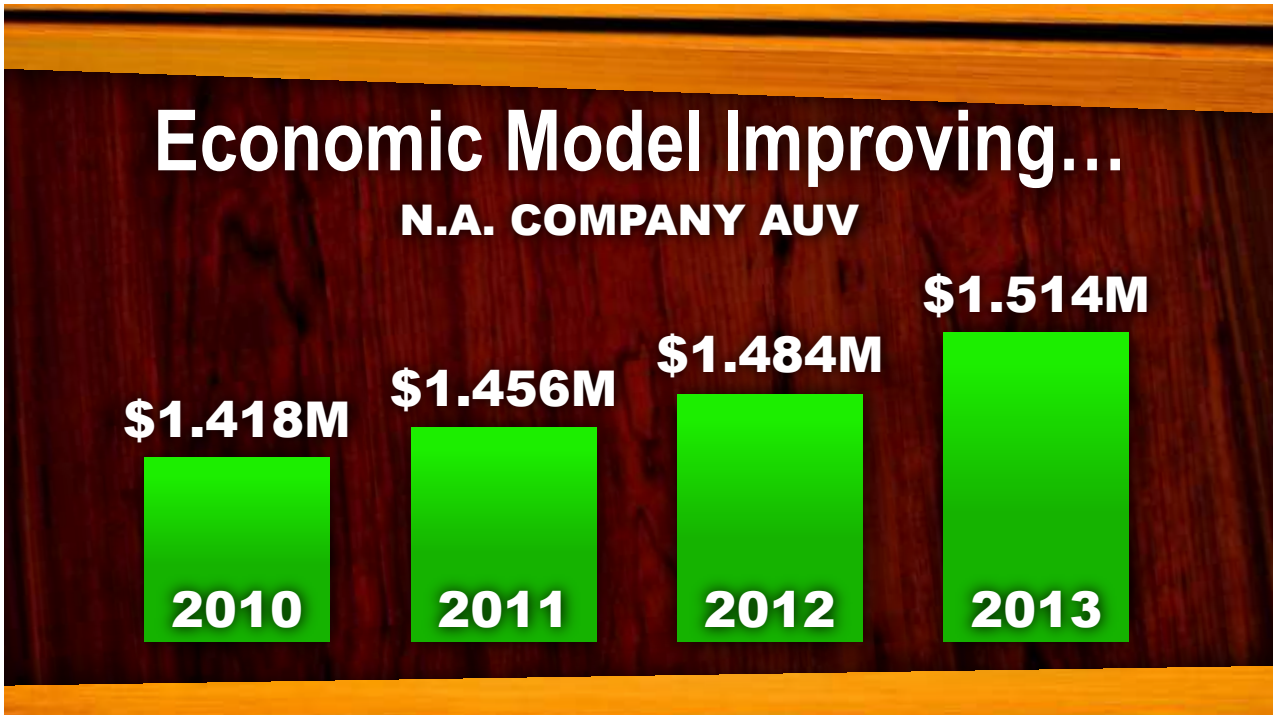
**PRICE** New Customer Quality

**PRODUCT** Play a Different Game

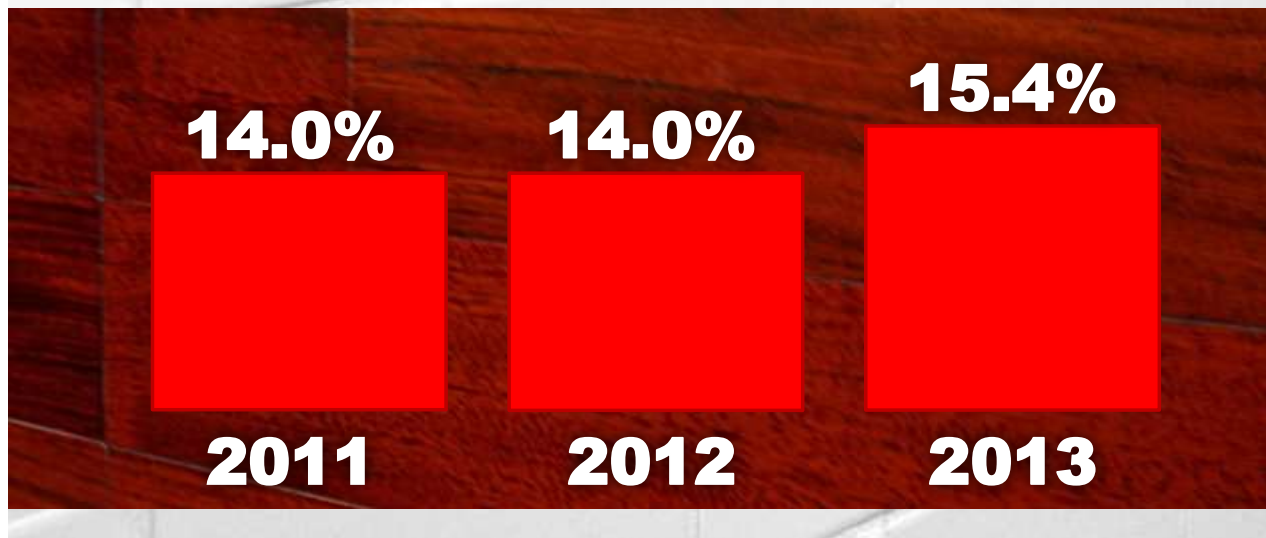
**OPERATIONS** Practically Brilliant

**BRAND** Brand Transformation

**PERFORMANCE** Keeping Brand Promise



## N.A. COMPANY RESTAURANT MARGINS IMPROVING



## IMAGE ACTIVATION

		<u>Reimages</u>	<u>Reimages Including New Builds</u>
<b>2013<sup>A</sup></b>	<b>Company</b>	<b>100</b>	<b>126</b>
	<b>Franchise</b>	<b>99*</b>	<b>110*</b>
<b>2014<sup>E</sup></b>	<b>Company</b>	<b>200</b>	<b>215</b>
	<b>Franchise</b>	<b>150-200</b>	<b>195-245</b>

\* Open or Under Construction, pre-System Optimization ownership



# PLAYING A DIFFERENT GAME



**MESSAGE**



**MEDIA**



**CREATIVE**

# EXECUTE EFFECTIVE HIGH-LOW STRATEGY

**PREMIUM**

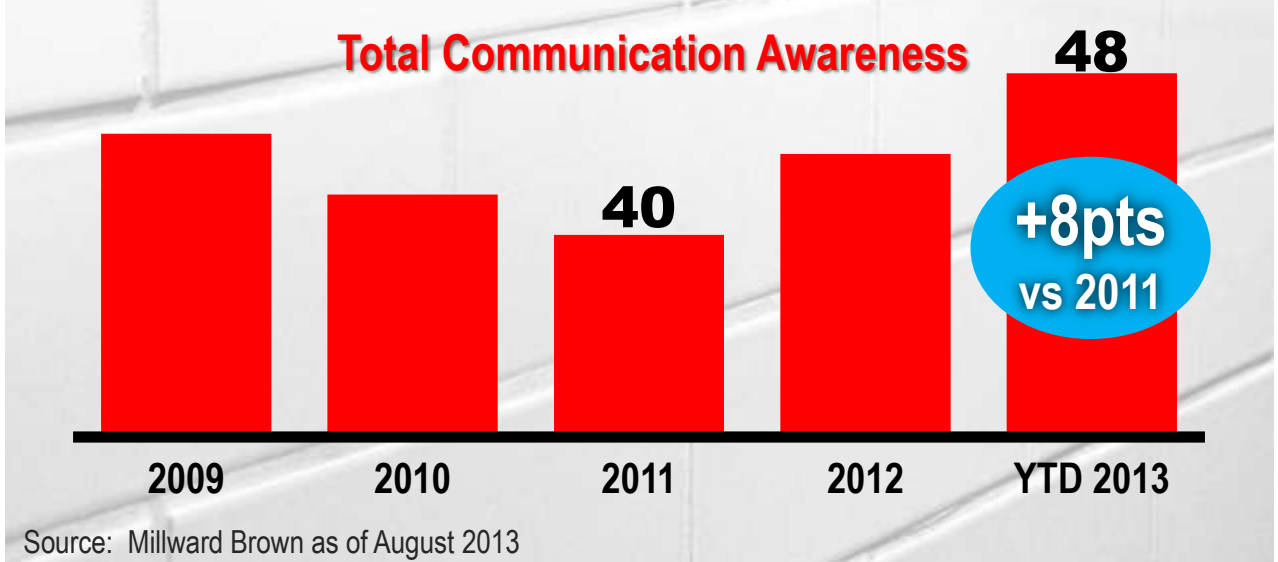


**PRICE / VALUE**

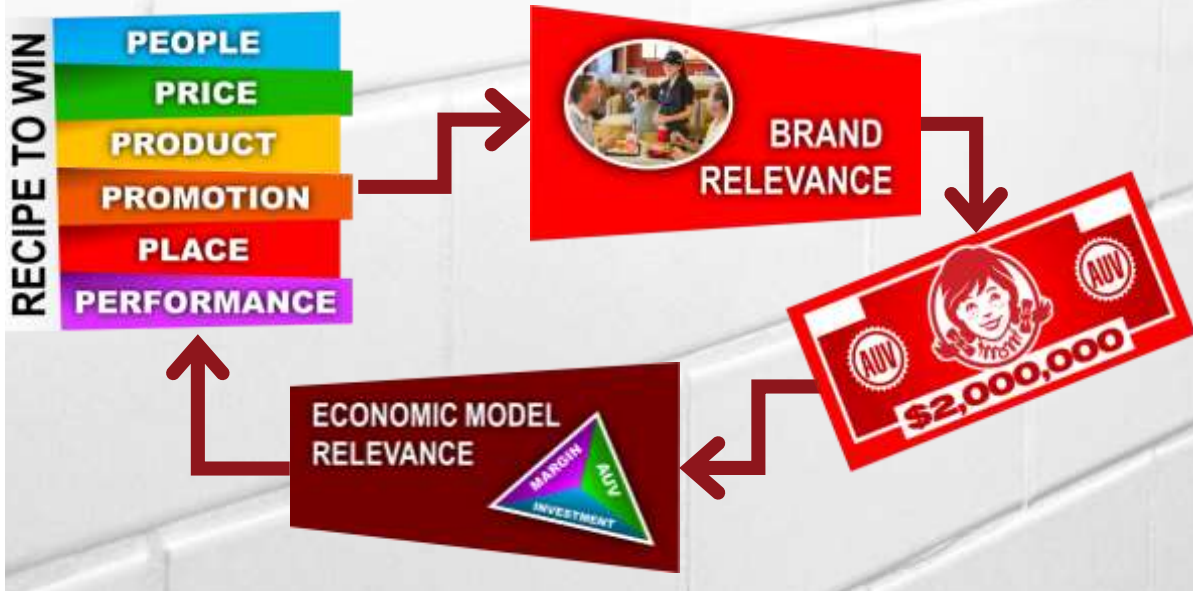




# BRAND COMMUNICATIONS WORKING HIGHEST AWARENESS SINCE 2005



# WHAT WE CONTROL



## Strategic Reasons to Believe

- Strong Brand Heritage
- Unique Brand Position
- IA Contemporizing Brand Image
- Strong Leadership Team, Growing 5-Star Talent
- Economic Model Improving
- Exceptional Franchisee Base and Commitment

# **TODD PENEGROR**

**Chief Financial Officer**



## **FINANCIAL UPDATE**

- **2013 Results**
- **Image Activation Update**
- **System Optimization Status**
- **2014 & Long-Term Outlook**
- **Plans to Build Shareholder Value**



## Q4 FINANCIAL HIGHLIGHTS

	<u>2013</u>	<u>2012</u>	<u>B/(W)</u>
N.A. Company SRS	3.1%	(0.2)%	<b>2-YEAR 2.9%</b>
N.A. Company Rest. Margin	16.3%	15.9%	+40bps
Adjusted EBITDA*	\$89.0M	\$95.9M	(7.2)%
Adjusted EPS*	\$0.10-0.11	\$0.09	+11-22%

\* See reconciliation of Adjusted EBITDA and Adjusted EPS in the appendix

## FULL YEAR FINANCIAL HIGHLIGHTS

	<u>2013</u>	<u>2012</u>	<u>B/(W)</u>
N.A. Company SRS	1.9%	1.6%	<b>2-YEAR 3.5%</b>
N.A. Company Rest. Margin	15.4%	14.0%	+140bps
Adjusted EBITDA*	\$367.1M	\$333.3M	+10.1%
Adjusted EPS*	\$0.29-0.30	\$0.17	+71-76%

\* See reconciliation of Adjusted EBITDA and Adjusted EPS in the appendix

## 2013 IMAGE ACTIVATION TARGETS MET 2014 ACCELERATES

	2014E	2013	2014 vs. 2013
<b>REIMAGES</b>			
Company	200	100	+100
Franchise*	150-200	99	+51-101
Total	350-400	199	+151-201
<b>NEW BUILDS</b>			
Company	15	26	(11)
Franchise*	45	11	+34
Total	60	37	+23
<b>Total IA Restaurants</b>	410-460	236	+174-224

\* Open or Under Construction; excludes 24 Franchise Non-IA New Builds in 2013

## Image Activation Aim for the SWEET SPOT



**Solution: Ultra Modern Design with Customizable Upgrades**





# ONE SIZE DOES NOT FIT ALL



**Solutions for 85-90% of System**



# IA Target Investment and Return

Designing for Optimal Financial Returns

	<u>Reimages*</u>	<u>Scrape &amp; Rebuilds*</u>
Investment	\$450-650K	\$1.5-1.9M
Construction Closure	5 weeks	13 weeks
Sustainable Sales Lift	10-20%	25-35%
Profit Flow Through	40%	40%
Percent Of IA	80%	20%

\* Estimates based on Company's current outlook; Excludes Maintenance; Median Cost for U.S. System

## System Optimization Supports Growth

Strategic Growth Initiative to Sell 415 Company-Owned Restaurants

- Concentrates Company Ownership to about 15%
- Generates Higher Restaurant Operating Margin
- Improves Quality and Predictability of Earnings
- Executing in an EBITDA Neutral Fashion
- Selling to 5-Star Franchisees who Support Wendy's Growth Initiatives

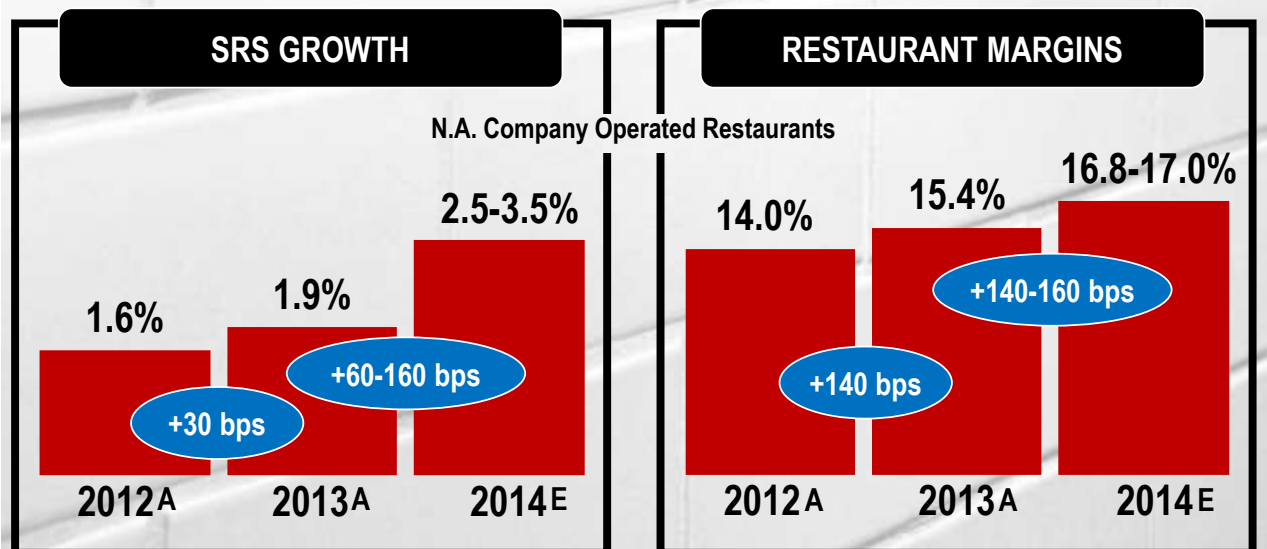
Sales Agreements will Include Commitments to Image Activate 180 Restaurants and Develop 100 New Restaurants over 5 Years

# System Optimization Progress

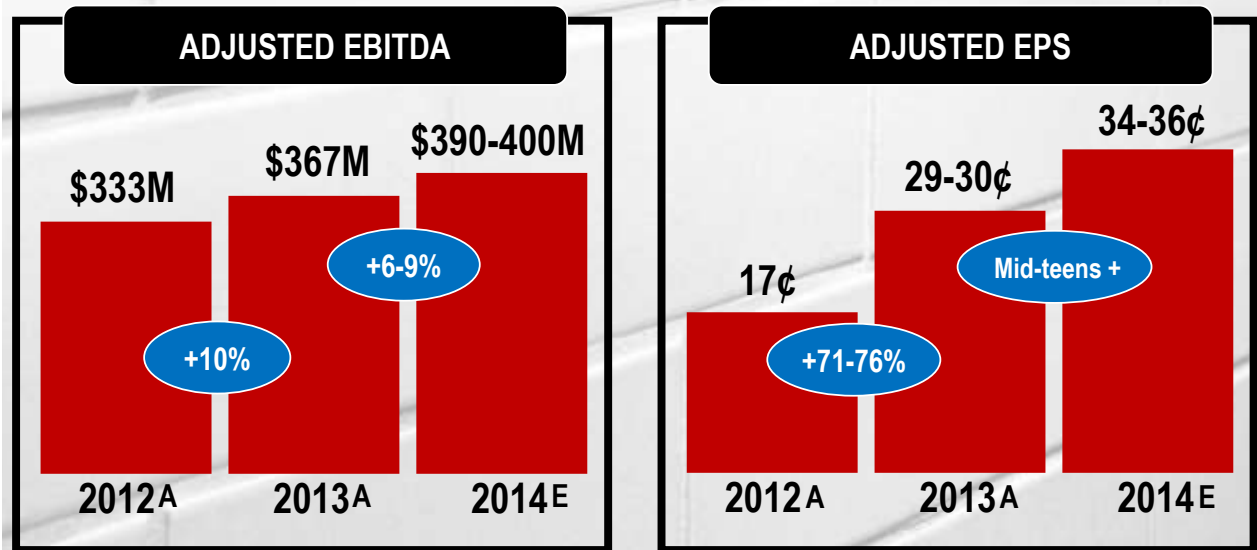
	<u>RESTAURANTS</u>	<u>PROCEEDS</u>
<b>SOLD IN 2013</b>	<b>243</b>	<b>\$138M</b>
<b>UNDER CONTRACT*</b>	<b>141</b>	<b>**</b>
<b>BUYERS IDENTIFIED</b>	<b>31</b>	<b>**</b>
<b>TOTAL</b>	<b><u>415</u></b>	<b><u>\$235M**</u></b>

\* Executed Asset Purchase Agreement or LOI  
 \*\* Estimated Cash Proceeds Including Technical Assistance Fees

# Continued Momentum in 2014

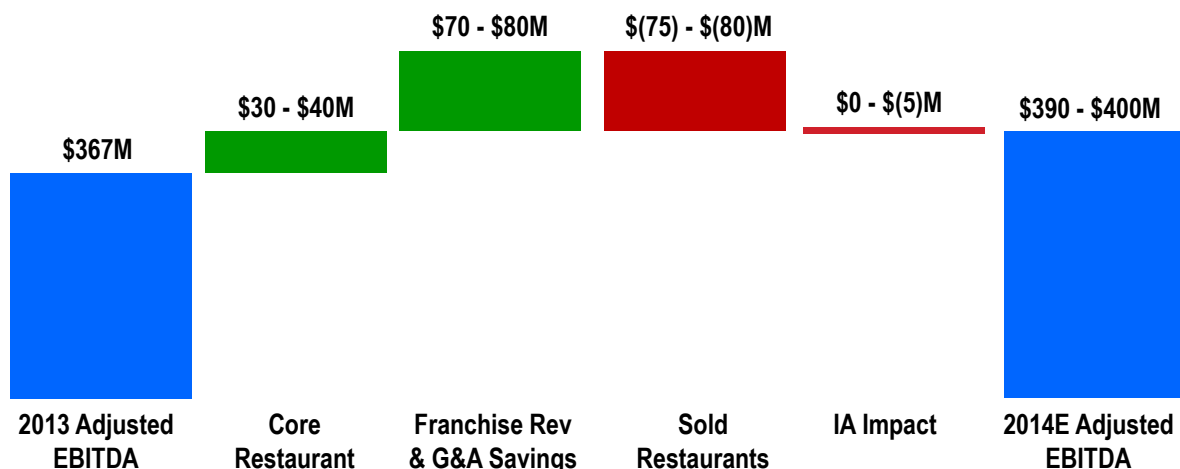


# Continued Momentum in 2014



## 2014 Improved Quality of Earnings

Expecting 6-9% Adjusted EBITDA Growth with 415 Fewer Restaurants



See reconciliation of Adjusted EBITDA and Adjusted EPS in appendix



# Long-Term Outlook

**SAME RESTAURANT SALES**

3% +

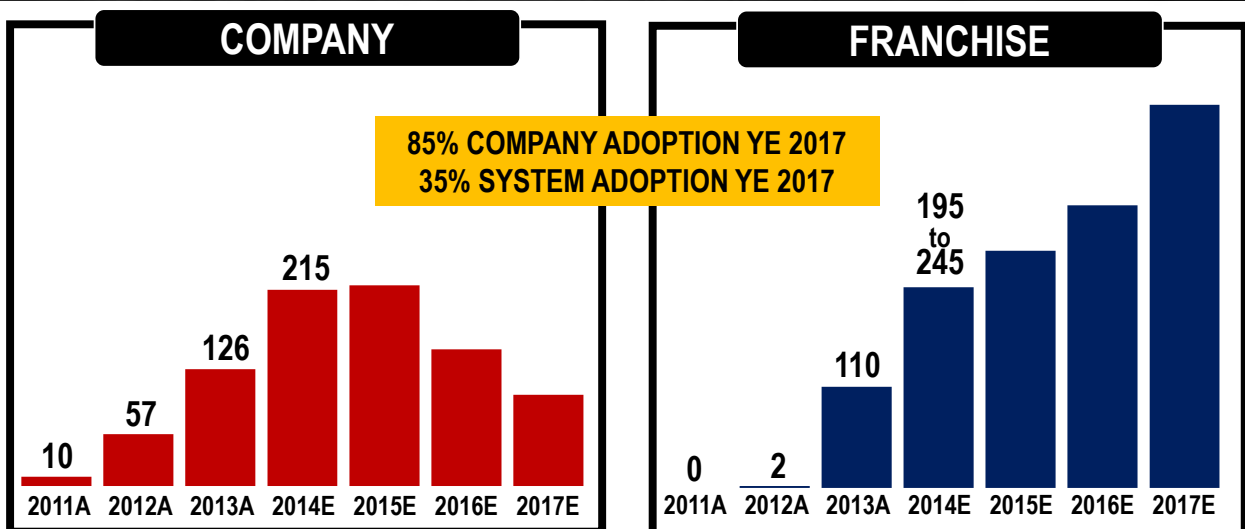
**ADJUSTED EBITDA**

Growth Rate in the High-Single to Low-Double Digit Range

**ADJUSTED EPS**

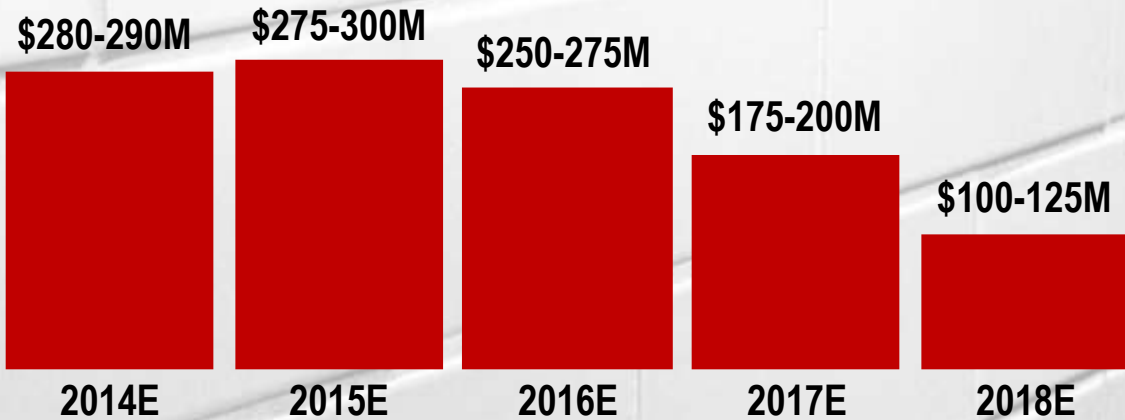
Growth Rate in Mid-Teens

## Image Activation System Adoption Accelerating Company Providing Leadership, Franchisees Quickly Surpassing



Includes Reimages & New Builds, pre-System Optimization ownership

## Capital Spending Long-Term Perspective



Investment Expected to Peak in 2014/2015 to Drive Image Activation

## Adjusted EBITDA Growth Long-Term Perspective

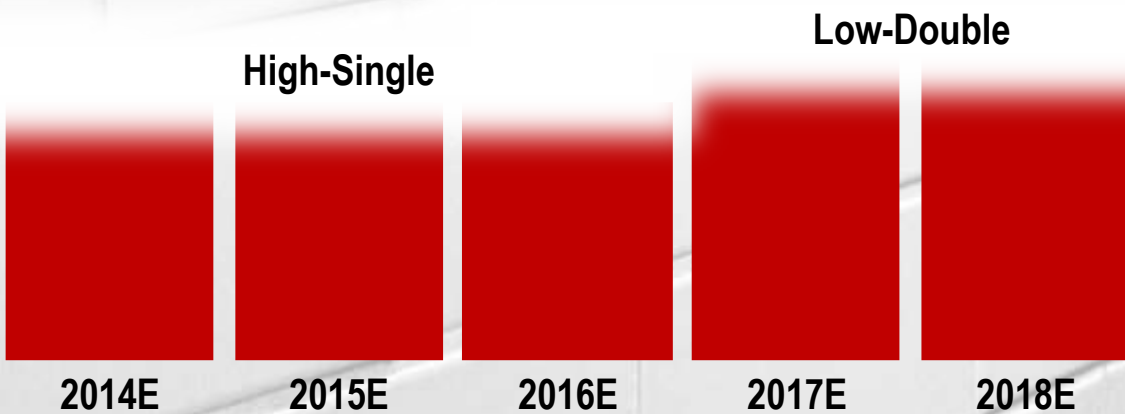


Image Activation Investment Drives Accelerated Adjusted EBITDA Growth

# CASH PRIORITIES

## Building Shareholder Value

### Invest in our Business

Image Activation Reimages, including Increasing Scrape & Rebuilds

### Dividend Growth

Generally in line with EPS growth (subject to Board approval)

### Share Repurchase

Offset ongoing options dilution beyond 2014

Ended 2013  
with \$580M  
of Cash

## Returning Cash to Shareholders

- Completed \$69M of Share Repurchases in 2013
- Board Authorized a ~~\$275M~~ Share Repurchase Program for 2014
- Expect Dutch Tender to Commence Tomorrow (Jan. 14)
- Price Range of \$8.50-\$9.25
- Leverages “Excess” Cash
  - Proceeds from System Optimization of \$235M
  - Arby’s Distribution of \$40M

\* See “Important Information Regarding the Anticipated Tender Offer” in the appendix



# Building A Stronger Wendy's

- Results Exceeded Adjusted EBITDA/EPS Guidance
- Restaurant Economic Model Improving
- 2013 Image Activation Targets Met; Accelerates for 2014
- System Optimization Enhancing Quality of Earnings
- Finished 2013 with Significant Cash
- 2014 Positioned for Another Solid Year
- Long-Term Guidance on Track



## Important Information Regarding the Anticipated Tender Offer

This presentation is for informational purposes only and is not an offer to buy or the solicitation of an offer to sell any shares of the Company's common stock. The anticipated tender offer described in this presentation has not yet commenced, and there can be no assurances that the Company will commence the tender offer on the terms described in this presentation or at all. If the Company commences the offer, the offer will be made solely by an Offer to Purchase and the related Letter of Transmittal, as they may be amended or supplemented. Stockholders and investors are urged to read the Company's commencement tender offer statement on Schedule TO anticipated to be filed with the SEC in connection with the offer, which will include as exhibits the Offer to Purchase, the related Letter of Transmittal and other offer materials, as well as any amendments or supplements to the Schedule TO when they become available, because they will contain important information. If the Company commences the offer, each of these documents will be filed with the SEC, and, when available, investors may obtain them for free from the SEC at its website ([www.sec.gov](http://www.sec.gov)) or from the Company's information agent in connection with the offer.

### Reconciliation of Adjusted EBITDA from Continuing Operations to Net Income Attributable to The Wendy's Company (In Thousands) (Unaudited)

	Three Months		
	Estimated Range		2012
	Low End 2013	High End 2013	
Adjusted EBITDA from continuing operations	\$ 89,011	\$ 89,011	\$ 95,883
(Less) plus:			
Pension withdrawal expense in cost of sales	(13,500)	(13,500)	-
Depreciation and amortization	(47,518)	(47,518)	(36,840)
Facilities action (income) charges, net	16,040	16,040	(13,470)
Impairment of long-lived assets	(10,552)	(10,552)	(13,316)
Impairment of goodwill	(9,397)	(9,397)	-
Costs associated with closed restaurants in other operating expense (income), net	-	-	-
Operating profit	24,084	24,084	32,257
Interest expense	(13,464)	(13,464)	(20,801)
Loss on early extinguishment of debt	(7,544)	(7,544)	-
Investment income, net	21,202	21,202	6,786
Other income (expense), net	233	233	551
Income (loss) from continuing operations before income taxes and noncontrolling interests	24,511	24,511	18,793
Benefit from (provision for) income taxes	527	4,027	6,616
Income from continuing operations	25,038	28,538	25,409
Discontinued operations:			
(Loss) income from discontinued operations, net of income taxes	(266)	(266)	1,167
Loss on disposal of discontinued operations, net of income taxes	-	-	(188)
Net (loss) income from discontinued operations	(266)	(266)	979
Net income	24,772	28,272	26,388
Net loss (income) attributable to noncontrolling interests	410	410	-
Net income attributable to The Wendy's Company	\$ 25,182	\$ 28,682	\$ 26,388

Explanatory Note: The Company has not yet completed its tax closing procedures for 2013. As a result, the Company is reporting 2013 Adjusted Earnings Per Share, and earnings per share as ranges. The above table shows the low and high ends of the estimated range.

**Reconciliation of Adjusted EBITDA from Continuing Operations  
to Net Income Attributable to The Wendy's Company**  
(In Thousands)  
(Unaudited)

	Twelve Months		
	Estimated Range		
	Low End	High End	2012
	2013	2013	
Adjusted EBITDA from continuing operations	\$ 367,133	\$ 367,133	\$ 333,328
(Less) plus:			
Pension withdrawal expense in cost of sales	(13,500)	(13,500)	-
Depreciation and amortization	(182,359)	(182,359)	(146,976)
Facilities action (income) charges, net	(15,650)	(15,650)	(41,031)
Impairment of long-lived assets	(15,879)	(15,879)	(21,097)
Impairment of goodwill	(9,397)	(9,397)	-
Costs associated with closed restaurants in other operating expense (income), net	-	-	(1,477)
Operating profit	130,348	130,348	122,747
Interest expense	(69,012)	(69,012)	(98,604)
Loss on early extinguishment of debt	(28,563)	(28,563)	(75,076)
Investment income, net	23,565	23,565	36,243
Other income (expense), net	(2,080)	(2,080)	1,565
Income (loss) from continuing operations before income taxes and noncontrolling interests	54,258	54,258	(13,125)
Benefit from (provision for) income taxes	(17,247)	(13,747)	21,083
Income from continuing operations	37,011	40,511	7,958
Discontinued operations:			
(Loss) income from discontinued operations, net of income taxes	(266)	(266)	1,951
Loss on disposal of discontinued operations, net of income taxes	-	-	(442)
Net (loss) income from discontinued operations	(266)	(266)	1,509
Net income	36,745	40,245	9,467
Net loss (income) attributable to noncontrolling interests	855	855	(2,384)
Net income attributable to The Wendy's Company	<u>\$ 37,600</u>	<u>\$ 41,100</u>	<u>\$ 7,083</u>

Explanatory Note: The Company has not yet completed its tax closing procedures for 2013. As a result, the Company is reporting 2013 Adjusted Earnings Per Share, and earnings per share as ranges. The above table shows the low and high ends of the estimated range.

**Reconciliation of Adjusted Income and Adjusted Earnings Per Share from Continuing Operations to  
Net Income and Earnings Per Share Attributable to The Wendy's Company**  
(In Thousands Except Per Share Amounts)  
(Unaudited)

	Three Months					
	Estimated Range			2012		
	Low End	High End	2013		Per share	
	2013	2013	Per share	Per share	Per share	Per share
Adjusted income and adjusted earnings per share from continuing operations	\$ 40,976	\$ 0.10	\$ 44,476	\$ 0.11	\$ 33,629	\$ 0.09
(Less) plus:						
Impairment of goodwill	(9,207)	(0.12)	(9,207)	(0.02)	-	-
Depreciation of assets that will be replaced as part of the Image Activation initiative	(8,510)	(0.02)	(8,510)	(0.02)	-	-
Pension withdrawal expense in cost of sales	(8,286)	(0.02)	(8,286)	(0.02)	-	-
Impairment of long-lived assets	(8,507)	(0.02)	(8,507)	(0.02)	(8,216)	(0.02)
Loss on early extinguishment of debt	(4,692)	(0.01)	(4,692)	(0.01)	-	-
Facilities action (income) charges, net	6,774	0.02	6,774	0.02	(8,311)	(0.02)
Dividends from Abby's	14,550	0.03	14,550	0.03	2,868	0.01
Benefits of prior years' tax matters	-	-	-	-	4,439	0.01
Total adjustments	(15,938)	(0.04)	(15,938)	(0.04)	(8,220)	(0.02)
Income from continuing operations	25,038	0.06	28,538	0.07	25,409	0.07
Net (loss) income from discontinued operations	(295)	(0.00)	(295)	(0.00)	979	0.00
Net income	24,743	0.06	28,243	0.07	26,388	0.07
Net loss attributable to noncontrolling interests	410	0.00	410	0.00	-	-
Net income and earnings per share attributable to The Wendy's Company	<u>\$ 25,153</u>	<u>\$ 0.06</u>	<u>\$ 28,653</u>	<u>\$ 0.07</u>	<u>\$ 26,388</u>	<u>\$ 0.07</u>

	Twelve Months					
	Estimated Range			2012		
	Low End	High End	2013		Per share	
	2013	2013	Per share	Per share	Per share	Per share
Adjusted income and adjusted earnings per share from continuing operations	\$ 116,108	\$ 0.29	\$ 119,608	\$ 0.30	\$ 65,316	\$ 0.17
(Less) plus:						
Facilities action (income) charges, net	(24,101)	(0.06)	(24,101)	(0.06)	(25,349)	(0.07)
Depreciation of assets that will be replaced as part of the Image Activation initiative	(23,822)	(0.06)	(23,822)	(0.06)	-	-
Loss on early extinguishment of debt	(17,829)	(0.05)	(17,829)	(0.05)	(48,547)	(0.12)
Impairment of long-lived assets	(9,899)	(0.02)	(9,899)	(0.02)	(13,017)	(0.04)
Impairment of goodwill	(9,207)	(0.02)	(9,207)	(0.02)	-	-
Pension withdrawal expense in cost of sales	(8,286)	(0.02)	(8,286)	(0.02)	-	-
(Loss) gain on sale of investment, net	(503)	(0.00)	(503)	(0.00)	17,978	0.05
Dividends from Abby's	14,550	0.03	14,550	0.03	2,868	0.01
Benefits of prior years' tax matters	-	-	-	-	7,620	0.02
Costs associated with closed restaurants in other operating expense (income), net	-	-	-	-	(911)	(0.00)
Total adjustments	(79,097)	(0.20)	(79,097)	(0.20)	(57,358)	(0.15)
Income from continuing operations	37,011	0.09	40,511	0.10	7,958	0.02
Net (loss) income from discontinued operations	(295)	(0.00)	(295)	(0.00)	1,509	0.00
Net income	36,715	0.09	40,215	0.10	9,467	0.02
Net loss (income) attributable to noncontrolling interests	855	0.00	855	0.00	(2,384)	(0.00)
Net income and earnings per share attributable to The Wendy's Company	<u>\$ 37,570</u>	<u>\$ 0.09</u>	<u>\$ 41,100</u>	<u>\$ 0.10</u>	<u>\$ 7,083</u>	<u>\$ 0.02</u>

Explanatory Note: The Company has not yet completed its tax closing procedures for 2013. As a result, the Company is reporting 2013 net Adjusted Earnings Per Share, and earnings per share as ranges. The above table shows the low and high ends of the estimated range.