UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended April 1, 2012

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______________ to ______________

Commission file number: 1-2207

THE WENDY'S COMPANY

(Exact name of registrants as specified in its charter)

Delaware	**38-0471180**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Dave Thomas Blvd., Dublin, Ohio	**43017**
(Address of principal executive offices)	(Zip Code)

(614) 764-3100
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year,
if changed since last report)

Commission file number: 333-161613

WENDY'S RESTAURANTS, LLC

(Exact name of registrants as specified in its charter)

Delaware	**38-0471180**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Dave Thomas Blvd., Dublin, Ohio	**43017**
(Address of principal executive offices)	(Zip Code)

(614) 764-3100
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year,
if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

The Wendy's Company	Yes [x] No [ ]
Wendy's Restaurants, LLC	Yes [ ] No [x]*

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

The Wendy's Company	Yes [x] No [ ]
Wendy's Restaurants, LLC	Yes [x] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

The Wendy's Company

Large accelerated filer [x]	Accelerated filer [ ]	Non-accelerated filer [ ]	Smaller reporting company [ ]

Wendy's Restaurants, LLC

Large accelerated filer [ ]	Accelerated filer [ ]	Non-accelerated filer [x]	Smaller reporting company [ ]

Indicate by check mark whether either registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes [ ] No [x]

There were 390,296,589 shares of The Wendy's Company common stock outstanding as of May 1, 2012.

Wendy's Restaurants, LLC meets the conditions set forth in General Instruction (H)(1)(a) and (b) of Form 10-Q and is therefore filing this Form 10-Q with reduced disclosure format.

* Wendy's Restaurants, LLC has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the period it was required to file such reports.

Explanatory Note

This Quarterly Report on Form 10-Q is a combined report being filed separately by The Wendy's Company ("The Wendy's Company") and Wendy's Restaurants, LLC ("Wendy's Restaurants"), a direct 100% owned subsidiary holding company of The Wendy's Company. Unless the context indicates otherwise, any reference in this report to the "Companies," "we," "us," and "our" refers to The Wendy's Company together with its direct and indirect subsidiaries, including Wendy's Restaurants. Each registrant hereto is filing on its own behalf all of the information contained in this quarterly report that relates to such registrant. Each registrant hereto is not filing any information that does not relate to such registrant, and therefore makes no representation as to any such information.

Where information or an explanation is provided that is substantially the same for each company, such information or explanation has been combined in this Quarterly Report on Form 10-Q. Where information or an explanation is not substantially the same for each company, we have provided separate information and explanation. In addition, separate financial statements for each company are included in Part I Item I, "Financial Statements."

The principal subsidiaries of Wendy's Restaurants for the periods covered in this Quarterly Report on Form 10-Q through July 3, 2011 were Wendy's International, Inc. ("Wendy's") and its subsidiaries and Arby's Restaurant Group, Inc. ("Arby's") and its subsidiaries. On July 4, 2011, Wendy's Restaurants sold 100% of the common stock of Arby's for cash and an indirect 18.5% interest in Arby's (see Note 2 - Discontinued Operations for additional information regarding the sale of Arby's). As a result, substantially all of the continuing operating results of The Wendy's Company are now derived from the operating results of Wendy's and its subsidiaries.

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
INDEX TO FORM 10-Q

PART I. FINANCIAL INFORMATION

Item 1. ***Financial Statements.***

THE WENDY'S COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands)

	April 1, 2012	January 1, 2012
ASSETS	**(Unaudited)**	
Current assets:		
Cash and cash equivalents	$ 418,410	$ 475,231
Accounts and notes receivable	72,074	68,349
Inventories	12,004	12,903
Prepaid expenses and other current assets	42,447	27,397
Deferred income tax benefit	91,689	93,384
Advertising funds restricted assets	77,289	69,672
Total current assets	713,913	746,936
Properties	1,195,107	1,192,200
Goodwill	872,032	870,431
Other intangible assets	1,299,480	1,304,288
Investments	118,969	119,271
Deferred costs and other assets	66,603	67,542
Total assets	$ 4,266,104	$ 4,300,668
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	$ 7,705	$ 6,597
Accounts payable	54,007	81,301
Accrued expenses and other current liabilities	184,560	210,698
Advertising funds restricted liabilities	77,289	69,672
Total current liabilities	323,561	368,268
Long-term debt	1,344,687	1,350,402
Deferred income	6,007	6,523
Deferred income taxes	475,908	470,521
Other liabilities	108,600	108,885
Commitments and contingencies		
Stockholders' equity:		
Common stock	47,042	47,042
Additional paid-in capital	2,779,947	2,779,871
Accumulated deficit	(430,457)	(434,999)
Common stock held in treasury, at cost	(393,818)	(395,947)
Accumulated other comprehensive income	4,627	102
Total stockholders' equity	2,007,341	1,996,069
Total liabilities and stockholders' equity	$ 4,266,104	$ 4,300,668

See accompanying notes to condensed consolidated financial statements.

THE WENDY'S COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In Thousands Except Per Share Amounts)

	Three Months Ended	
	April 1, 2012	April 3, 2011
	(Unaudited)	
Revenues:		
Sales	$ 519,929	$ 509,286
Franchise revenues	73,258	73,179
	593,187	582,465
Costs and expenses:		
Cost of sales	455,467	438,871
General and administrative	72,304	74,685
Depreciation and amortization	32,311	30,314
Impairment of long-lived assets	4,511	7,897
Facilities relocation and other transition costs	5,531	—
Transaction related costs	612	1,884
Other operating expense, net	1,535	797
	572,271	554,448
Operating profit	20,916	28,017
Interest expense	(28,235)	(29,442)
Gain on sale of investment, net	27,407	—
Other income, net	1,524	253
Income (loss) from continuing operations before income taxes and noncontrolling interests	21,612	(1,172)
(Provision for) benefit from income taxes	(6,878)	876
Income (loss) from continuing operations	14,734	(296)
Loss from discontinued operations, net of income taxes	—	(1,113)
Net income (loss)	14,734	(1,409)
Net income attributable to noncontrolling interests	(2,384)	—
Net income (loss) attributable to The Wendy's Company	$ 12,350	$ (1,409)
Basic and diluted income (loss) per share attributable to The Wendy's Company:		
Continuing operations	$ .03	$ .00
Discontinued operations	.00	.00
Net income (loss)	$ .03	$ .00
Dividends per share	$ .02	$ .02

See accompanying notes to condensed consolidated financial statements.

THE WENDY'S COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands)

	Three Months Ended	
	April 1, 2012	April 3, 2011
	(Unaudited)	
Net income (loss)	$ 14,734	$ (1,409)
Other comprehensive income, net:		
Foreign currency translation adjustment	4,742	7,649
Change in unrecognized pension loss, net of income tax benefit (provision) of $127 and ($21), respectively	(217)	(46)
Other comprehensive income, net	4,525	7,603
Comprehensive income	19,259	6,194
Comprehensive income attributable to noncontrolling interests	(2,384)	—
Comprehensive income attributable to The Wendy's Company	$ 16,875	$ 6,194

See accompanying notes to condensed consolidated financial statements.

THE WENDY'S COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)

	Three Months Ended	
	April 1, 2012	April 3, 2011
	(Unaudited)	
Cash flows from operating activities:		
Net income (loss)	$ 14,734	$ (1,409)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:		
Depreciation and amortization	32,952	43,125
Deferred income tax provision (benefit), net	5,773	(2,900)
Distributions received from joint venture	3,253	3,113
Impairment of long-lived assets	4,511	9,612
Share-based compensation provision	2,597	3,241
Accretion of long-term debt	2,010	2,130
Non-cash rent expense	1,639	1,807
Write-off and amortization of deferred financing costs	1,361	2,151
Net (recognition) receipt of deferred vendor incentives	(58)	29,357
Equity in earnings in joint ventures, net	(2,134)	(2,363)
Gain on sale of investment, net	(27,407)	—
Other, net	1,404	1,176
Changes in operating assets and liabilities:		
Accounts and notes receivable	(74)	2,342
Inventories	920	(370)
Prepaid expenses and other current assets	(2,658)	(8,676)
Accounts payable	(12,313)	4,234
Accrued expenses and other current liabilities	(41,654)	(33,107)
Net cash (used in) provided by operating activities	(15,144)	53,463
Cash flows from investing activities:		
Capital expenditures	(46,998)	(28,568)
Restaurant acquisitions	(2,594)	(2,900)
Franchise incentive loans	(1,096)	—
Proceeds from sale of investment	24,374	—
Other, net	277	300
Net cash used in investing activities	(26,037)	(31,168)
Cash flows from financing activities:		
Repayments of long-term debt	(6,354)	(30,211)
Dividends paid	(7,795)	(8,374)
Distributions to noncontrolling interests	(3,667)	—
Proceeds from stock option exercises	1,156	2,902
Other, net	52	(18)
Net cash used in financing activities	(16,608)	(35,701)
Net cash used in operations before effect of exchange rate changes on cash	(57,789)	(13,406)
Effect of exchange rate changes on cash	968	959
Net decrease in cash and cash equivalents	(56,821)	(12,447)
Cash and cash equivalents at beginning of period	475,231	512,508
Cash and cash equivalents at end of period	$ 418,410	$ 500,061

THE WENDY'S COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUED
(In Thousands)

	Year Ended	
	April 1, 2012	April 3, 2011
Supplemental cash flow information:		
Cash paid during the period for:		
Interest	$ 36,287	$ 41,721
Income taxes, net of refunds	$ 6,323	$ 2,884

See accompanying notes to condensed consolidated financial statements.

WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands)

	April 1, 2012	January 1, 2012
ASSETS	**(Unaudited)**	
Current assets:		
Cash and cash equivalents	$ 281,713	$ 346,648
Accounts and notes receivable	67,974	67,453
Inventories	12,004	12,903
Prepaid expenses and other current assets	34,870	18,408
Deferred income tax benefit	92,667	94,963
Advertising funds restricted assets	77,289	69,672
Total current assets	566,517	610,047
Properties	1,195,106	1,192,196
Goodwill	877,309	875,708
Other intangible assets	1,299,480	1,304,288
Investments	114,759	114,651
Deferred costs and other assets	66,111	66,827
Total assets	$ 4,119,282	$ 4,163,717
LIABILITIES AND INVESTED EQUITY		
Current liabilities:		
Current portion of long-term debt	$ 5,969	$ 5,137
Accounts payable	53,514	80,986
Accrued expenses and other current liabilities	185,769	212,150
Due to parent	13,802	—
Advertising funds restricted liabilities	77,289	69,672
Total current liabilities	336,343	367,945
Long-term debt	1,339,376	1,340,559
Due to parent	—	15,368
Deferred income	6,007	6,523
Deferred income taxes	535,973	537,689
Other liabilities	95,548	95,969
Commitments and contingencies		
Invested equity:		
Member interest	—	—
Other capital	2,442,486	2,440,130
Accumulated deficit	(487,294)	(486,567)
Advances to parent	(155,000)	(155,000)
Accumulated other comprehensive income	5,843	1,101
Total invested equity	1,806,035	1,799,664
Total liabilities and invested equity	$ 4,119,282	$ 4,163,717

See accompanying notes to condensed consolidated financial statements.

WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In Thousands)

	Three Months Ended	
	April 1, 2012	April 3, 2011
	(Unaudited)	
Revenues:		
Sales	$ 519,929	$ 509,286
Franchise revenues	73,258	73,179
	593,187	582,465
Costs and expenses:		
Cost of sales	455,467	438,871
General and administrative	70,080	71,939
Depreciation and amortization	32,308	29,849
Impairment of long-lived assets	2,883	7,897
Facilities relocation and other transition costs	5,531	—
Transaction related costs	612	1,279
Other operating expense, net	1,571	742
	568,452	550,577
Operating profit	24,735	31,888
Interest expense	(28,073)	(29,215)
Other income, net	1,575	213
(Loss) income from continuing operations before income taxes	(1,763)	2,886
Benefit from (provision for) income taxes	1,036	(748)
(Loss) income from continuing operations	(727)	2,138
Loss from discontinued operations, net of income taxes	—	(1,113)
Net (loss) income	$ (727)	$ 1,025

See accompanying notes to condensed consolidated financial statements.

WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands)

	Three Months Ended	
	April 1, 2012	April 3, 2011
	(Unaudited)	
Net (loss) income	$ (727)	$ 1,025
Other comprehensive income, net:		
Foreign currency translation adjustment	4,742	7,649
Change in net unrecognized pension loss, net of income tax provision of $15 in 2011	—	(55)
Other comprehensive income, net	4,742	7,594
Comprehensive income	$ 4,015	$ 8,619

See accompanying notes to condensed consolidated financial statements.

WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)

	Three Months Ended	
	April 1, 2012	April 3, 2011
	(Unaudited)	
Cash flows from operating activities:		
Net (loss) income	$ (727)	$ 1,025
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:		
Depreciation and amortization	32,949	42,660
Distributions received from joint venture	3,253	3,113
Impairment of long-lived assets	2,883	9,612
Share-based compensation provision	2,356	2,999
Accretion of long-term debt	2,010	2,130
Non-cash rent expense	1,639	1,807
Write-off and amortization of deferred financing costs	1,349	2,148
Net (recognition) receipt of deferred vendor incentives	(58)	29,357
Deferred income tax benefit, net	(857)	(336)
Equity in earnings in joint ventures, net	(2,134)	(2,363)
Tax sharing payment to parent	—	(13,078)
Other, net	(190)	(244)
Changes in operating assets and liabilities:		
Accounts and notes receivable	(163)	2,206
Inventories	920	(370)
Prepaid expenses and other current assets	(2,444)	(8,497)
Accounts payable	(12,148)	3,614
Accrued expenses and other current liabilities	(41,738)	(33,180)
Net cash (used in) provided by operating activities	(13,100)	42,603
Cash flows from investing activities:		
Capital expenditures	(46,998)	(28,568)
Restaurant acquisitions	(2,594)	(2,900)
Franchise incentive loans	(1,096)	—
Other, net	(17)	303
Net cash used in investing activities	(50,705)	(31,165)
Cash flows from financing activities:		
Repayments of long-term debt	(2,098)	(29,765)
Other, net	—	(18)
Net cash used in financing activities	(2,098)	(29,783)
Net cash used in operations before effect of exchange rate changes on cash	(65,903)	(18,345)
Effect of exchange rate changes on cash	968	959
Net decrease in cash and cash equivalents	(64,935)	(17,386)
Cash and cash equivalents at beginning of period	346,648	198,686
Cash and cash equivalents at end of period	$ 281,713	$ 181,300

WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUED
(In Thousands)

	Year Ended	
	April 1, 2012	**April 3, 2011**
Supplemental cash flow information:		
Cash paid during the period for:		
Interest	$ 36,055	$ 41,449
Income taxes, net of refunds	$ 6,739	$ 2,273

See accompanying notes to condensed consolidated financial statements.

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

(1) Basis of Presentation

The accompanying unaudited condensed consolidated financial statements (the "Financial Statements") of The Wendy's Company ("The Wendy's Company" and, together with its subsidiaries, the "Company") and Wendy's Restaurants, LLC ("Wendy's Restaurants") have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and, therefore, do not include all information and footnotes required by GAAP for complete financial statements. In our opinion, the Financial Statements contain all adjustments necessary to present fairly our financial position as of April 1, 2012 and the results of our operations for the three months ended April 1, 2012 and April 3, 2011 and our cash flows for the three months ended April 1, 2012 and April 3, 2011. The results of operations for the three months ended April 1, 2012 are not necessarily indicative of the results to be expected for the full 2012 fiscal year. These Financial Statements should be read in conjunction with the audited consolidated financial statements for The Wendy's Company and Wendy's Restaurants, and combined notes thereto, included in our Annual Report on Form 10-K for the fiscal year ended January 1, 2012 (the "Form 10-K").

The Wendy's Company and Wendy's Restaurants (together, the "Companies") manage and internally report their business geographically. The operation and franchising of Wendy's® restaurants in North America (defined as the U.S. and Canada) comprises virtually all of our current operations and represents a single reportable segment. The revenues and operating results of Wendy's restaurants outside of North America (including through our joint venture in Japan (the "Japan JV") are not material. References herein to The Wendy's Company corporate ("Corporate") represent The Wendy's Company parent company only functions and their effect on the Company's consolidated results of operations and financial condition.

We report on a fiscal year consisting of 52 or 53 weeks ending on the Sunday closest to December 31. Both three month periods presented herein contain 13 weeks. All references to years and quarters relate to fiscal periods rather than calendar periods.

(2) Discontinued Operations

On July 4, 2011, Wendy's Restaurants completed the sale of 100% of the common stock of its then wholly owned subsidiary, Arby's Restaurant Group, Inc. ("Arby's") (while indirectly retaining an 18.5% interest in Arby's), as described in the Form 10-K. Information related to Arby's has been reflected in the accompanying unaudited condensed consolidated financial statements as follows:

- Statement of operations - Arby's loss from operations for the three months ended April 3, 2011 has been classified as discontinued operations.

- Statement of cash flows - Arby's cash flows for the three months ended April 3, 2011 have been included in, and not separately reported from, our consolidated cash flows.

Our unaudited condensed consolidated statement of operations for the three months ended April 3, 2011 (prior to the sale of Arby's) includes certain indirect corporate overhead costs in "General and administrative," which for segment reporting purposes had previously been allocated to Arby's. These indirect corporate overhead costs do not qualify for classification within discontinued operations, and therefore are included in "General and administrative" in continuing operations. Interest expense on Arby's debt that was assumed by the buyer in the sale has been included in discontinued operations; however, interest expense on Wendy's Restaurants' credit agreement, which was not required to be repaid as a result of the sale, continues to be included in "Interest expense" in continuing operations.

During the three months ended April 1, 2012 and April 3, 2011, Wendy's Restaurants incurred "Transaction related costs" of $612 and $1,279 (which are included in the total $1,884 recorded by The Wendy's Company), respectively, resulting from the sale of Arby's.

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

The following table details Arby's revenues and loss from operations for the three months ended April 3, 2011, which have been reported in discontinued operations:

Revenues	$	265,359
Loss from discontinued operations, net of income taxes:		
Loss from discontinued operations before income taxes	$	(2,193)
Benefit from income taxes		1,080
Loss from discontinued operations	$	(1,113)

(3) Acquisitions and Other Dispositions

During the first quarter of 2012, Wendy's International, Inc. ("Wendy's") acquired two Wendy's franchised restaurants along with certain other equipment and franchise rights. The total net cash consideration for this acquisition was $2,594. The total consideration was allocated to net tangible and identifiable intangible assets acquired, primarily properties, and liabilities assumed based on their estimated fair values with the excess of $485 recognized as goodwill.

During the first quarter of 2011, Wendy's acquired three Wendy's franchised restaurants. The total consideration for this acquisition before post closing adjustments was $3,960, consisting of (1) $2,900 of cash, net of $45 of cash acquired, and (2) the issuance of a note payable of $1,060. The total consideration was allocated to net tangible and identifiable intangible assets acquired, primarily properties, and liabilities assumed based on their estimated fair values with the excess of $2,799 recognized as goodwill.

For Wendy's, one other disposition during the first quarter of 2012 and one other acquisition during the first quarter of 2011 were not significant. One other disposition by Arby's during the first quarter of 2011 was not significant.

(4) Investments

Investment in Joint Venture with Tim Hortons Inc.

Wendy's is a partner in a Canadian restaurant real estate joint venture ("TimWen") with Tim Hortons Inc. Wendy's 50% share of the joint venture is accounted for using the equity method of accounting. Our equity in earnings from TimWen is included in "Other operating expense, net."

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

Presented below is an unaudited summary of activity related to our portion of TimWen included in our condensed consolidated balance sheets and condensed consolidated statements of operations:

	Three Months Ended	
	April 1, 2012	April 3, 2011
Balance at beginning of period	$ 91,742	$ 98,631
Equity in earnings for the period	2,991	2,926
Amortization of purchase price adjustments (a)	(780)	(563)
	2,211	2,363
Distributions received	(3,253)	(3,113)
Foreign currency translation adjustment included in "Other comprehensive income"	2,135	3,465
Balance at end of period (b)	$ 92,835	$ 101,346

(a) Based upon an original average aggregate life of 21 years.

(b) Included in "Investments".

Presented below is a summary of unaudited financial information of TimWen as of and for the three months ended April 1, 2012 and April 3, 2011, respectively, in Canadian dollars. The summary balance sheet financial information does not distinguish between current and long-term assets and liabilities.

	April 1, 2012	April 3, 2011
Balance sheet information:		
Properties	C$ 73,960	C$ 77,714
Cash and cash equivalents	1,882	2,011
Accounts receivable	4,490	3,775
Other	2,620	2,980
	C$ 82,952	C$ 86,480
Accounts payable and accrued liabilities	C$ 1,282	C$ 701
Other liabilities	8,701	9,222
Partners' equity	72,969	76,557
	C$ 82,952	C$ 86,480

	Three Months Ended	
	April 1, 2012	April 3, 2011
Income statement information:		
Revenues	C$ 9,148	C$ 8,906
Income before income taxes and net income	5,994	6,129

(The Wendy's Company)

Sale of Investment in Jurlique International Pty Ltd.

On February 2, 2012, Jurl Holdings, LLC ("Jurl"), a 99.7% owned subsidiary, completed the sale of our investment in Jurlique International Pty Ltd. ("Jurlique") for which we received proceeds of $27,287, which is net of $3,490 held in escrow and included in "Accounts and notes receivable." In connection with the anticipated proceeds of the sale and in order to protect ourselves from a decrease in the Australian dollar through the closing date, we entered into a foreign currency related derivative transaction for an equivalent notional amount in U.S. dollars of the expected proceeds of $28,500 Australian dollars. We recorded a "Gain on sale of investment, net" of $27,407, which included a loss of $2,913 on the settlement of the derivative transaction discussed above.

We have reflected net income attributable to noncontrolling interests of $2,384, net of income tax benefit of $1,283, in the three months ended April 1, 2012 in connection with the equity and profit interests discussed below. The net assets and liabilities of the subsidiary that held the investment were not material to the consolidated financial statements. Therefore, the noncontrolling interest in those assets and liabilities was not previously reported separately. As a result of this sale and distributions to the minority shareholders, there are no remaining noncontrolling interests in this consolidated subsidiary.

Prior to 2009 when our predecessor entity was a diversified company active in investments, we had provided our Chairman, who was also our then Chief Executive Officer, and our Vice Chairman, who was our then president and Chief Operating Officer (the "Former Executives"), and certain other former employees, equity and profits interests in Jurl. In connection with the gain on sale of Jurlique, we distributed, based on the related agreement, approximately $3,667 to Jurl's minority shareholders, including approximately $2,296 to the Former Executives.

(5) Fair Value of Financial Instruments

Valuation techniques under the accounting guidance related to fair value measurements are based on observable and unobservable inputs. Observable inputs reflect readily obtainable data from independent sources, while unobservable inputs reflect our market assumptions. These inputs are classified into the following hierarchy:

Level 1 Inputs - Quoted prices for identical assets or liabilities in active markets.

Level 2 Inputs - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 Inputs - Pricing inputs are unobservable for the assets or liabilities and include situations where there is little, if any, market activity for the assets or liabilities. The inputs into the determination of fair value require significant management judgment or estimation.

(In Thousands Except Per Share Amounts)

The carrying amounts and estimated fair values of the Companies' financial instruments for which the disclosure of fair values is required are as follows:

	April 1, 2012		
	Wendy's Restaurants	Corporate	The Wendy's Company
Financial assets			
Carrying Amount:			
Non-current cost investments	$ 21,924	$ 4,210	$ 26,134
Interest rate swaps	11,153	—	11,153
Fair Value:			
Non-current cost investments - Level 3 (a)	$ 25,221	$ 8,381	$ 33,602
Interest rate swaps - Level 2 (b)	11,153	—	11,153

	April 1, 2012		
	Carrying Amount	Fair Value	Fair Value Measurements
Financial liabilities			
Long-term debt, including current portion:			
Senior Notes	$ 555,339	$ 623,195	Level 2
Term Loan	464,960	469,021	Level 2
6.20% senior notes	225,300	251,903	Level 2
7% debentures	82,629	90,300	Level 2
Capitalized lease obligations (c)	14,940	15,024	Level 3
Sale-leaseback obligations (c)	1,470	1,448	Level 3
Other	707	705	Level 3
Total Wendy's Restaurants long-term debt, including current portion	1,345,345	1,451,596	
6.54% aircraft term loan (c)	7,047	7,040	Level 3
Total The Wendy's Company long-term debt, including current portion	$ 1,352,392	$ 1,458,636	
Guarantees of:			
Franchisee loans obligations (d)	$ 759	$ 759	Level 3

____

(a) The fair value of our indirect investment in Arby's is based on the fair value as determined in connection with its sale in July 2011 and our review of their current audited financial information. We are basing the fair value of the remaining investments on our review of statements of account received from investment managers or investees which were principally based on quoted market or broker/dealer prices. To the extent that some of these investments, including the underlying investments in investment limited partnerships, do not have available quoted market or broker/dealer prices, the Companies relied on its review of valuations performed by the investment managers or investees in valuing those investments or third-party appraisals.

(b) Our interest rate swaps (and cash and cash equivalents as described below) are the Companies' only financial assets and liabilities whose carrying value is determined on a recurring basis by the valuation hierarchy as defined in the fair value guidance.

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

(c) The fair values were determined by discounting the future scheduled principal payments using an interest rate assuming the same original issuance spread over a current U.S. Treasury bond yield for securities with similar durations.

(d) Wendy's provided loan guarantees to various lenders on behalf of franchisees entering into pooled debt facility arrangements for new store development and equipment financing. Wendy's has accrued a liability for the fair value of these guarantees, the calculation for which was based upon a weighted average risk percentage established at the inception of each program adjusted for a history of defaults.

The carrying amounts of cash and cash equivalents, accounts payable and accrued expenses approximated fair value due to the short-term maturities of those items. The carrying amounts of accounts and notes receivable (both current and non-current) approximated fair value due to the effect of related allowances for doubtful accounts and notes receivable.

The following table presents the fair values for those assets and liabilities of continuing operations measured at fair value during the three months ended April 1, 2012 on a non-recurring basis. Total losses include losses recognized from all non-recurring fair value measurements during the quarter ended April 1, 2012. The carrying value of properties presented in the table below represents the remaining carrying value of land for Wendy's properties that were impaired in the first quarter of 2012 and our Company-owned aircraft. See Note 6 for more information on the impairment of our long-lived assets.

		Fair Value Measurements			
	April 1, 2012	Level 1	Level 2	Level 3	Three Months Ended April 1, 2012 Total Losses
Properties	$ 495	$ —	$ —	$ 495	$ 2,880
Other intangible assets	—	—	—	—	3
Total Wendy's Restaurants	495	—	—	495	2,883
Aircraft	7,148	—	—	7,148	1,628
Total Wendy's Company	$ 7,643	$ —	$ —	$ 7,643	$ 4,511

Interest rate swaps

The Companies' derivative instruments in the first quarter of 2012 included interest rate swaps on Wendy's 6.20% senior notes with notional amounts totaling $225,000 that were all designated as fair value hedges. At April 1, 2012 and January 1, 2012, the fair value of these interest rate swaps of $11,153 and $11,695, respectively, has been included in "Deferred costs and other assets" and as an adjustment to the carrying amount of the 6.20% Wendy's senior notes. Interest income on interest rate swaps was $1,326 and $1,413 for the three months ended April 1, 2012 and April 3, 2011, respectively.

(6) Impairment of Long-Lived Assets

Wendy's company-owned restaurant impairment losses included in the table below for the three months ended April 1, 2012 and April 3, 2011 predominantly reflect impairment charges on restaurant level assets resulting from the deterioration in operating performance of certain restaurants and additional charges for capital improvements in restaurants impaired in prior years which did not subsequently recover.

As described in the Form 10-K, we intend to dispose of the Company-owned aircraft leased under the aircraft lease agreement with an affiliate of the the management company (the "Management Company") which was formed by the Former Executives and a director, who was our former Vice Chairman. For the three months ended April 1, 2012, we recorded an impairment charge of $1,628 to reflect its fair value as a result of a recent appraisal. The carrying value approximates its fair value, is classified as held-for-sale, and is included in "Prepaid expenses and other current assets."

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

These impairment losses as detailed in the following table represented the excess of the carrying amount over the fair value of the affected assets and are included in "Impairment of long-lived assets."

	Three Months Ended	
	April 1, 2012	April 3, 2011
Impairment of company-owned restaurants:		
Properties	$ 2,880	$ 6,084
Intangible assets	3	1,813
Total Wendy's Restaurants	2,883	7,897
Aircraft	1,628	—
Total The Wendy's Company	$ 4,511	$ 7,897

Arby's impairment losses for the three months ended April 3, 2011 were not significant and are included in discontinued operations and are not included in the table above. See Note 2 for more information on discontinued operations.

The fair values of impaired assets were generally estimated based on the present values of the associated cash flows and on market value with respect to land (Level 3 inputs).

(7) Facilities Relocation and Other Transition Costs

As announced in December 2011, we are relocating the Companies' Atlanta restaurant support center to Ohio. Wendy's Restaurants expects to expense costs aggregating approximately $28,000 in 2012 and $2,600 in 2013 related to its relocation and other transition activities which are anticipated to be substantially complete by the end of 2012. The costs expected to be expensed in 2013 primarily relate to severance and other costs for employees who will be assisting in the transition activities through the early part of 2013.

The components of "Facilities relocation and other transition costs" for the three months ended April 1, 2012, as well as the total expected to be incurred and total incurred since inception are presented in the table below:

	Three Months Ended April 1, 2012	Total Incurred Since Inception	Total Expected to be Incurred
Severance, retention and other payroll costs	$ 2,999	$ 8,344	$ 12,849
Relocation costs	576	576	6,652
Existing facilities closure costs	—	—	5,537
Consulting and professional fees	885	885	6,042
Other	430	415	3,090
	4,890	10,220	34,170
Accelerated depreciation	641	838	1,925
Total	$ 5,531	$ 11,058	$ 36,095

The increase in the Total Expected to be Incurred noted above as compared to our 2011 year end estimate relates primarily to professional fees that became determinable during our 2012 first quarter.

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

An analysis of related activity in the facilities relocation and other transition costs accrual which is included in "Accrued expenses and other current liabilities" is as follows:

	Balance January 1, 2012	Charges	Payments	Balance April 1, 2012
Severance, retention and other payroll costs	$ 5,345	$ 2,999	$ (770)	$ 7,574
Relocation costs	—	576	(290)	286
Consulting and professional fees	—	885	(403)	482
Other	—	430	(159)	271
	$ 5,345	$ 4,890	$ (1,622)	$ 8,613

(8) Income Taxes

The Company's effective tax rate for the three months ended April 1, 2012 and effective tax rate benefit for the three months ended April 3, 2011 was 31.8% and 74.7%, respectively, on income (loss) from continuing operations. Wendy's Restaurants effective tax rate benefit for the three months ended April 1, 2012 and effective tax rate for the three months ended April 3, 2011 was 58.8% and 25.9%, respectively, on income (loss) from continuing operations. The Companies' effective tax rates vary from the U.S. federal statutory rate of 35% due to the effect of (1) state income taxes, net of federal income tax benefit, (2) tax credits, and (3) adjustments related to prior year tax matters.

There were no significant changes to unrecognized tax benefits or related interest and penalties for either the Company or Wendy's Restaurants for the three month periods ended April 1, 2012 and April 3, 2011.

The Wendy's Company participates in the Internal Revenue Service Compliance Assurance Process. During the three months ended April 1, 2012 we concluded without adjustment the examination of our tax year ended January 2, 2011.

Amounts payable for Federal and certain state income taxes are settled by Wendy's Restaurants to The Wendy's Company under a tax sharing agreement. During the three months ended April 1, 2012 and April 3, 2011, Wendy's Restaurants made tax sharing payments to The Wendy's Company of $0 and $13,078, respectively.

(9) Income (Loss) Per Share

(The Wendy's Company)

Basic income (loss) per share for the three months ended April 1, 2012 and April 3, 2011 was computed by dividing income (loss) amounts attributable to The Wendy's Company by the weighted average number of common shares outstanding. Income (loss) amounts attributable to The Wendy's Company used to calculate basic and diluted income (loss) per share were as follows:

	Three Months Ended	
	April 1, 2012	April 3, 2011
Income (loss) from continuing operations	$ 12,350	$ (296)
Loss from discontinued operations	—	(1,113)
Net income (loss) attributable to The Wendy's Company	$ 12,350	$ (1,409)

(In Thousands Except Per Share Amounts)

The weighted average number of shares used to calculate basic and diluted income (loss) per share was as follows:

	Three Months Ended	
	April 1, 2012	April 3, 2011
Common stock:		
Weighted average basic shares outstanding	389,701	418,520
Dilutive effect of stock options and restricted shares	2,574	—
Weighted average diluted shares outstanding	392,275	418,520

Diluted income per share for the three months ended April 1, 2012 was computed by dividing income by the weighted average number of basic shares outstanding plus the potential common share effect of dilutive stock options and restricted shares, computed using the treasury stock method. For the three months ended April 1, 2012, we excluded 19,312 of potential common shares from our diluted income per share calculation as they would have had anti-dilutive effects. Diluted loss per share for the three months ended April 3, 2011 was the same as basic loss per share since the Company reported a loss from continuing operations and, therefore, the effect of all potentially dilutive securities would have been antidilutive.

(10) Debt and Equity

Debt

The Wendy's Restaurants senior secured term loan facility (the "Term Loan"), which is part of the credit agreement entered into in May 2010 (the "Credit Agreement") and is further described in the Form 10-K, requires prepayments of principal amounts resulting from certain events and on an annual basis from Wendy's Restaurants excess cash flow as defined under the Term Loan. An excess cash flow payment for fiscal 2010 of $24,874 was paid in the first quarter of 2011. An excess cash flow payment was not required for fiscal 2011.

See Note 14 for information related to a proposed credit facility that will replace the current Term Loan and revolving credit arrangement and the related anticipated redemption and repurchase of $565,000 principal amount of Senior Notes issued by Wendy's Restaurants in June 2009 (the "Senior Notes").

(The Wendy's Company)

The Wendy's Company's aircraft financing facility, as further described in the Form 10-K, includes a requirement that the outstanding principal balance be no more than 85% of the appraised value of the aircraft. During the first quarter of 2012, the Company made a $3,911 prepayment on the loan to comply with this provision. See Note 6 for information regarding impairment charges related to this aircraft.

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

Stockholders' Equity

(The Wendy's Company)

The following is a summary of the changes in stockholders' equity:

	Three Months Ended	
	April 1, 2012	April 3, 2011
Balance, beginning of year	$ 1,996,069	$ 2,163,174
Comprehensive income	16,875	6,194
Share-based compensation	2,597	3,241
Exercises of stock options	654	2,838
Dividends paid	(7,795)	(8,374)
Other	(1,059)	40
Balance, end of the period	$ 2,007,341	$ 2,167,113

Invested Equity

(Wendy's Restaurants)

The following is a summary of the changes in invested equity:

	Three Months Ended	
	April 1, 2012	April 3, 2011
Balance, beginning of year	$ 1,799,664	$ 1,776,630
Comprehensive income	4,015	8,619
Share-based compensation	2,356	2,999
Balance, end of the period	$ 1,806,035	$ 1,788,248

(11) Guarantees and Other Commitments and Contingencies

Except as described below, the Companies did not have any significant changes to their guarantees, other commitments and contingencies as disclosed in the combined notes to our consolidated financial statements included in the Form 10-K.

Japan Joint Venture Guarantee

In 2012, Wendy's Restaurants (1) provided a guarantee to certain lenders to the Japan JV for which our joint venture partners have agreed, should it become necessary, to reimburse and otherwise indemnify us for their 51% share of the guarantee and (2) agreed to reimburse and otherwise indemnify our joint venture partners for our 49% share of the guarantee by our joint venture partners of a line of credit granted by a different lender to the Japan JV to fund working capital requirements. Our portion of these contingent obligations totals approximately $4,200 (¥350,100) based upon current rates of exchange. The fair value of our guarantees is immaterial. The Companies anticipate that our share of any future guarantees, after the agreement of our joint venture partners, should it become necessary, to reimburse and otherwise indemnify us for their 51% share of such future guarantees, of up to an additional $3,300 may be necessary in 2012.

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

Capital Expenditures Commitments

As of April 1, 2012, the Companies have approximately $8,226 of outstanding commitments for capital expenditures expected to be paid in the second quarter of 2012.

(12) Transactions with Related Parties

The following is a summary of ongoing transactions between the Companies and their related parties, which are included in continuing operations and includes any updates and amendments since those reported in the Form 10-K:

	Three Months Ended	
	April 1, 2012	April 3, 2011
SSG agreement (a)	$ —	$ (2,275)
Subleases with related parties (b)	(49)	(57)
(The Wendy's Company)		
Transactions with the Management Company (c):		
Advisory fees	$ —	$ 250
Sublease income	(407)	(408)
Use of corporate aircraft	(38)	(30)
Liquidation services agreement	—	110
Distributions of proceeds to noncontrolling interests (see Note 4)	3,667	—

Transactions with Purchasing Cooperatives

(a) In anticipation of the sale of Arby's, effective April 2011, the activities of Strategic Sourcing Group Co-op, LLC ("SSG") were transferred to Quality Supply Chain Co-op, Inc. ("QSCC") and Arby's independent purchasing cooperative ("ARCOP"). Wendy's Restaurants had committed to pay approximately $5,145 of SSG expenses, which were expensed in 2010 and included in "General and administrative." During the first quarter of 2011, the remaining accrued commitment of $2,275 was reversed and credited to "General and administrative."

(b) The Companies received $49 and $39 of sublease income from QSCC during the first quarter of 2012 and 2011, respectively, and $18 of sublease income from SSG during the first quarter 2011.

Transactions with the Management Company

(c) The Wendy's Company had the following transactions with the Management Company; (1) paid advisory fees of $250 in connection with a services agreement and recorded amortization of $110 related to fees paid for assistance in the sale, liquidation or other disposition of certain of our investments, both of which are included in "General and administrative" in the first quarter of 2011 and (2) recorded income of $407 and $408 under an office sublease agreement, which expires in May 2012, and income of $38 and $30 from TASCO, LLC (an affiliate of the Management Company) under an aircraft lease agreement in the first quarter of 2012 and 2011, respectively, which are included as an offset to "General and administrative."

(In Thousands Except Per Share Amounts)

(Wendy's Restaurants)

The following is a summary of continuing transactions between Wendy's Restaurants and The Wendy's Company:

	Three Months Ended	
	April 1, 2012	**April 3, 2011**
Payments for Federal and state income tax (d)	$ —	$ 13,078
Share-based compensation (e)	2,356	2,419
Expense under management service agreements (f)	—	1,261

(d) Wendy's Restaurants made cash payments to The Wendy's Company under a tax sharing agreement as discussed in Note 8.

(e) Wendy's Restaurants incurs share-based compensation costs for The Wendy's Company common stock awards issued to certain employees under The Wendy's Company equity plan. Such compensation costs are allocated by The Wendy's Company to Wendy's Restaurants and are recorded as capital contributions from The Wendy's Company.

(f) Wendy's Restaurants incurred $1,261 for management services by The Wendy's Company during the first quarter of 2011 under a management services agreement which was terminated upon the sale of Arby's. Such fees were included in "General and administrative" and were settled through Wendy's Restaurants' intercompany account with The Wendy's Company.

(13) Legal, Environmental and Other Matters

We are involved in litigation and claims incidental to our current and prior businesses. We provide reserves for such litigation and claims when payment is probable and reasonably estimable. As of April 1, 2012, the Companies had reserves for continuing operations for all of its legal and environmental matters aggregating $2,305. We cannot estimate the aggregate possible range of loss due to most proceedings being in preliminary stages, with various motions either yet to be submitted or pending, discovery yet to occur, and significant factual matters unresolved. In addition, most cases seek an indeterminate amount of damages and many involve multiple parties. Predicting the outcomes of settlement discussions or judicial or arbitral decisions is thus inherently difficult. Based on currently available information, including legal defenses available to us, and given the aforementioned reserves and our insurance coverage, we do not believe that the outcome of these legal and environmental matters will have a material effect on our consolidated financial position or results of operations.

As previously described, there are claims that have been asserted by Wendy's against Tim Hortons, Inc. ("THI") and by THI against Wendy's. Since the filing of the Form 10-K, the parties have agreed on a mediator. We cannot estimate a range of possible loss, if any, for this matter at this time since, among other things, it is still in a preliminary stage, significant factual and legal issue are unresolved, no mediation sessions have been held, and the mediation will be non-binding. If no agreed resolution is reached, the matter would be resolved either by litigation or binding mandatory arbitration, in which case various motions would be submitted and discovery would occur. If no agreed resolution is reached, Wendy's intends to vigorously assert its claim and defend against the THI claims.

(14) Subsequent Events

Debt Refinancing

On April 3, 2012, Wendy's commenced the marketing of a new $1,325,000 senior secured credit facility (the "Proposed Credit Facility"). The Proposed Credit Facility is expected to be comprised of a $200,000 revolving credit facility, which would mature in 2017, and a $1,125,000 term loan, which would mature in 2019.

Wendy's expects to use the proceeds from the Proposed Credit Facility (1) to refinance the existing Credit Agreement, including the repayment of the Term Loan of Wendy's Restaurants, (2) to finance the redemption or repurchase of Wendy's Restaurants' outstanding Senior Notes, as further described below and (3) for general corporate purposes, including payment of financing costs and other expenses in connection with the Proposed Credit Facility and the related transactions. The closing of the Proposed Credit Facility is subject to successful marketing and other conditions, and there can be no assurance that Wendy's will be able to enter into the Proposed Credit Facility, or complete the refinancing of Wendy's Restaurants' Credit Agreement or the redemption or repurchase of the Senior Notes.

On April 17, 2012, as amended on May 1, 2012, Wendy's Restaurants commenced a tender offer to purchase any and all of its Senior Notes. Holders who validly tender Senior Notes and deliver consents to the proposed amendments prior to the early tender deadline of 5:00 p.m., Eastern time, on May 14, 2012 will receive the total consideration of $1,081.25 per $1 thousand principal amount (per Senior Note amounts not in thousands) of the Senior Notes, which includes an early tender premium/consent payment of $20.00 per $1 thousand principal amount of the Senior Notes, plus any accrued and unpaid interest on the Senior Notes up to, but not including, the payment date.

The tender offer is being made in connection with a proposed refinancing of the indebtedness of Wendy's Restaurant as described above. Subject to market conditions and other factors, Wendy's Restaurants intends to redeem any Senior Notes that remain outstanding following the completion of the tender offer.

In connection with the tender offer, Wendy's Restaurants is soliciting consents from holders of the Senior Notes to certain proposed amendments to the indenture governing the Senior Notes. The proposed amendments would, among other modifications, eliminate substantially all of the restrictive covenants and certain event of default provisions contained in the indenture governing the Senior Notes. The proposed amendments would also eliminate the requirement that Wendy's Restaurants file annual, quarterly and current reports with the Securities and Exchange Commission. Upon receipt of consents from holders of a majority in aggregate principal amount of the outstanding Senior Notes not owned by Wendy's Restaurants or any of its affiliates, Wendy's Restaurants would execute a supplemental indenture giving effect to the proposed amendments.

In connection with the refinancing of the existing Credit Agreement and the tender offer and anticipated complete redemption of the Senior Notes, the Company anticipates that it will incur debt extinguishment costs of approximately $10,200 and $400 for the Credit Agreement and $11,400 and $53,200 for the Senior Notes in the second and third quarters of 2012, respectively.

Multiemployer Pension Plan

As further described in the Form 10-K, the unionized employees at The New Bakery Co. of Ohio, Inc. (the "Bakery"), a 100% owned subsidiary of Wendy's, are covered by the Bakery and Confectionery Union and Industry International Pension Fund (the "Union Pension Fund"), a multiemployer pension plan with a plan year end of December 31 that provides defined benefits to certain employees covered by a collective bargaining agreement (the "CBA") which expires on March 31, 2013. The cost of this pension plan is determined in accordance with the provisions of the CBA. As of January 1, 2012, the Union Pension Fund was in Green Zone Status, as defined in the Pension Protection Act of 2006 (the "PPA") and had been operating under a Rehabilitation Plan.

In April 2012, we received a Notice of Critical Status from the Union Pension Fund which sets forth that the plan was considered to be in Red Zone Status for the 2012 Plan Year due to funding problems. As the fund is in critical status, all contributing employers, including Wendy's, will be required to pay a 5% surcharge on contributions for all hours worked from June 1, 2012 through December 31, 2012 and a 10% surcharge on contributions for all hours worked on and after January 1, 2013 until a contribution rate is negotiated at the expiration of our CBA that will be consistent with a revised Rehabilitation Plan which must be adopted by the Union Pension Fund in accordance with the provisions of the PPA.

The surcharges and the possible effect of the revised Rehabilitation Plan adopted by the Union Pension Fund as described above are not anticipated to have a material effect on the Companies results of operations.

(15) Guarantor/Non-Guarantor

(Wendy's Restaurants)

Wendy's Restaurants is the issuer of, and certain of its domestic subsidiaries have guaranteed amounts outstanding under, the Senior Notes. Each of the guaranteeing subsidiaries is a direct or indirect 100% owned subsidiary of Wendy's Restaurants and each has fully and unconditionally guaranteed the Senior Notes on a joint and several basis.

As a result of the closing of the sale of Arby's on July 4, 2011 as described in Note 2, Arby's and its subsidiaries are no longer guaranteeing subsidiaries of the amounts outstanding under the Senior Notes. Accordingly, the Condensed Consolidating Statements of Operations, Comprehensive Income and Cash Flows for the three months ended April 3, 2011 presented below have been retroactively revised to reflect Arby's and its subsidiaries as non-guarantors. In addition, Arby's has been reflected as discontinued operations in the Condensed Consolidating Statement of Operations for the three months ended April 3, 2011. Arby's cash flows for the three months ended April 3, 2011 have been included in, and not separately reported from, our consolidated cash flows.

The following are included in the presentation of our: (1) Condensed Consolidating Balance Sheets as of April 1, 2012 and January 1, 2012, (2) Condensed Consolidating Statements of Operations for the three months ended April 1, 2012 and April 3, 2011, (3) Condensed Consolidating Statements of Comprehensive Income for the three months ended April 1, 2012 and April 3, 2011 and (4) Condensed Consolidating Statements of Cash Flows for the three months ended April 1, 2012 and April 3, 2011 to reflect:

(a) Wendy's Restaurants (the "Parent");

(b) the Senior Notes guarantor subsidiaries as a group;

(c) the Senior Notes non-guarantor subsidiaries as a group;

(d) elimination entries necessary to combine the Parent with the guarantor and non-guarantor subsidiaries; and

(e) Wendy's Restaurants on a consolidated basis.

Substantially all of our domestic restricted subsidiaries are guarantors of the Senior Notes. Certain of our subsidiaries, including our foreign subsidiaries and national advertising funds, do not guarantee the Senior Notes.

For purposes of presentation of such consolidating information, investments in subsidiaries are accounted for by the Parent on the equity method. The elimination entries are principally necessary to eliminate intercompany balances and transactions.

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

CONDENSED CONSOLIDATING BALANCE SHEET

April 1, 2012

	Parent	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Total
ASSETS					
Current assets:					
Cash and cash equivalents	$ 110,150	$ 134,399	$ 37,164	$ —	$ 281,713
Accounts and notes receivable	1,430	60,075	6,469	—	67,974
Inventories	—	10,958	1,046	—	12,004
Prepaid expenses and other current assets	4,688	28,602	1,580	—	34,870
Deferred income tax benefit	57,437	34,226	1,004	—	92,667
Due from affiliate	322,597	—	—	(322,597)	—
Advertising funds restricted assets	—	—	77,289	—	77,289
Total current assets	496,302	268,260	124,552	(322,597)	566,517
Properties	11,012	1,124,305	59,789	—	1,195,106
Goodwill	—	828,914	149,115	(100,720)	877,309
Other intangible assets	16,620	1,258,578	24,282	—	1,299,480
Investments	19,000	—	95,759	—	114,759
Deferred costs and other assets	25,052	40,668	391	—	66,111
Net investment in subsidiaries	2,274,293	354,763	—	(2,629,056)	—
Deferred income tax benefit	31,368	—	—	(31,368)	—
Total assets	$ 2,873,647	$ 3,875,488	$ 453,888	$ (3,083,741)	$ 4,119,282
LIABILITIES AND INVESTED EQUITY					
Current liabilities:					
Current portion of long-term debt	$ 4,785	$ 919	$ 265	$ —	$ 5,969
Accounts payable	3,723	44,377	5,414	—	53,514
Accrued expenses and other current liabilities	40,553	139,557	5,659	—	185,769
Due to affiliates	—	332,045	4,354	(322,597)	13,802
Advertising funds restricted liabilities	—	—	77,289	—	77,289
Total current liabilities	49,061	516,898	92,981	(322,597)	336,343
Long-term debt	1,015,550	320,290	3,536	—	1,339,376
Deferred income	—	5,662	345	—	6,007
Deferred income taxes	—	551,579	15,762	(31,368)	535,973
Other liabilities	3,001	84,217	8,330	—	95,548
Invested equity:					
Member interest	—	—	—	—	—
Other capital	2,442,486	2,169,333	332,805	(2,502,138)	2,442,486
(Accumulated deficit) retained earnings	(487,294)	376,666	(5,714)	(370,952)	(487,294)
Advances to The Wendy's Company	(155,000)	(155,000)	—	155,000	(155,000)
Accumulated other comprehensive income	5,843	5,843	5,843	(11,686)	5,843
Total invested equity	1,806,035	2,396,842	332,934	(2,729,776)	1,806,035
Total liabilities and invested equity	$ 2,873,647	$ 3,875,488	$ 453,888	$ (3,083,741)	$ 4,119,282

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

CONDENSED CONSOLIDATING BALANCE SHEET

January 1, 2012

	Parent	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Total
ASSETS					
Current assets:					
Cash and cash equivalents	$ 174,638	$ 128,818	$ 43,192	$ —	$ 346,648
Accounts and notes receivable	2,682	59,137	5,634	—	67,453
Inventories	—	11,766	1,137	—	12,903
Prepaid expenses and other current assets	5,446	11,732	1,230	—	18,408
Deferred income tax benefit	59,737	34,226	1,000	—	94,963
Advertising funds restricted assets	—	—	69,672	—	69,672
Total current assets	242,503	245,679	121,865	—	610,047
Properties	12,431	1,120,383	59,382	—	1,192,196
Goodwill	—	828,411	145,133	(97,836)	875,708
Other intangible assets	18,011	1,262,070	24,207	—	1,304,288
Investments	19,000	—	95,651	—	114,651
Deferred costs and other assets	26,446	40,131	250	—	66,827
Net investment in subsidiaries	2,253,006	348,931	—	(2,601,937)	—
Deferred income tax benefit	29,269	—	—	(29,269)	—
Due from affiliate	295,080	—	—	(295,080)	—
Total assets	$ 2,895,746	$ 3,845,605	$ 446,488	$ (3,024,122)	$ 4,163,717
LIABILITIES AND INVESTED EQUITY					
Current liabilities:					
Current portion of long-term debt	$ 3,952	$ 923	$ 262	$ —	$ 5,137
Accounts payable	9,215	64,251	7,520	—	80,986
Accrued expenses and other current liabilities	62,209	137,105	12,836	—	212,150
Advertising funds restricted liabilities	—	—	69,672	—	69,672
Total current liabilities	75,376	202,279	90,290	—	367,945
Long-term debt	1,017,401	319,643	3,515	—	1,340,559
Due to affiliates	—	308,654	1,794	(295,080)	15,368
Deferred income	—	6,132	391	—	6,523
Deferred income taxes	—	551,579	15,379	(29,269)	537,689
Other liabilities	3,305	84,647	8,017	—	95,969
Invested equity:					
Member interest	—	—	—	—	—
Other capital	2,440,130	2,168,046	332,707	(2,500,753)	2,440,130
(Accumulated deficit) retained earnings	(486,567)	358,524	(6,706)	(351,818)	(486,567)
Advances to The Wendy's Company	(155,000)	(155,000)	—	155,000	(155,000)
Accumulated other comprehensive income	1,101	1,101	1,101	(2,202)	1,101
Total invested equity	1,799,664	2,372,671	327,102	(2,699,773)	1,799,664
Total liabilities and invested equity	$ 2,895,746	$ 3,845,605	$ 446,488	$ (3,024,122)	$ 4,163,717

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS

For the three months ended April 1, 2012

	Parent	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Total
Revenues:					
Sales	$ —	$ 466,685	$ 53,244	$ —	$ 519,929
Franchise revenues	—	68,923	4,335	—	73,258
	—	535,608	57,579	—	593,187
Costs and expenses:					
Cost of sales	—	406,024	49,443	—	455,467
General and administrative	—	66,024	4,056	—	70,080
Depreciation and amortization	2,981	26,765	2,562	—	32,308
Impairment of long-lived assets	—	2,630	253	—	2,883
Facilities relocation and other transition costs	5,444	87	—	—	5,531
Transaction related costs	615	(3)	—	—	612
Other operating expense (income), net	442	2,543	(1,414)	—	1,571
	9,482	504,070	54,900	—	568,452
Operating (loss) profit	(9,482)	31,538	2,679	—	24,735
Interest expense	(22,158)	(5,749)	(166)	—	(28,073)
Other income (expense), net	5,283	(1,448)	(2,260)	—	1,575
Equity in income of subsidiaries	15,258	992	—	(16,250)	—
(Loss) income before income taxes	(11,099)	25,333	253	(16,250)	(1,763)
Benefit from (provision for) income taxes	10,372	(10,075)	739	—	1,036
Net (loss) income	$ (727)	$ 15,258	$ 992	$ (16,250)	$ (727)

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME

For the three months ended April 1, 2012

	Parent	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Total
Net (loss) income	$ (727)	$ 15,258	$ 992	$ (16,250)	$ (727)
Other comprehensive income, net:					
Foreign currency translation adjustment	4,742	4,742	4,742	(9,484)	4,742
Other comprehensive income, net	4,742	4,742	4,742	(9,484)	4,742
Comprehensive income	$ 4,015	$ 20,000	$ 5,734	$ (25,734)	$ 4,015

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS

For the three months ended April 3, 2011

	Parent	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Total
Revenues:					
Sales	$ —	$ 455,569	$ 53,758	$ (41)	$ 509,286
Franchise revenues	—	68,766	4,421	(8)	73,179
	—	524,335	58,179	(49)	582,465
Costs and expenses:					
Cost of sales	—	390,025	48,846	—	438,871
General and administrative	—	60,606	11,333	—	71,939
Depreciation and amortization	2,588	24,597	2,664	—	29,849
Impairment of long-lived assets	—	7,543	354	—	7,897
Transaction related costs	1,279	—	—	—	1,279
Other operating expense (income), net	—	2,674	(1,932)	—	742
	3,867	485,445	61,265	—	550,577
Operating (loss) profit	(3,867)	38,890	(3,086)	(49)	31,888
Interest expense	(23,336)	(5,734)	(145)	—	(29,215)
Other income (expense), net	—	3,798	(3,585)	—	213
Equity in income (loss) of subsidiaries	13,386	(8,716)	—	(4,670)	—
(Loss) income from continuing operations before income taxes	(13,817)	28,238	(6,816)	(4,719)	2,886
Benefit from (provision for) income taxes	14,842	(13,690)	(1,900)	—	(748)
Income (loss) from continuing operations	1,025	14,548	(8,716)	(4,719)	2,138
Loss from discontinued operations, net of income taxes	—	—	(1,162)	49	(1,113)
Net income (loss)	$ 1,025	$ 14,548	$ (9,878)	$ (4,670)	$ 1,025

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME

For the three months ended April 3, 2011

	Parent	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Total
Net income (loss)	$ 1,025	$ 14,548	$ (9,878)	$ (4,670)	$ 1,025
Other comprehensive income, net:					
Foreign currency translation adjustment	7,649	7,649	7,649	(15,298)	7,649
Change in net unrecognized pension loss, net of income tax provision of $15 in 2011	(55)	(55)	(55)	110	(55)
Other comprehensive income, net	7,594	7,594	7,594	(15,188)	7,594
Comprehensive income (loss)	$ 8,619	$ 22,142	$ (2,284)	$ (19,858)	$ 8,619

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

For the three months ended April 1, 2012

	Parent	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Total
Cash flows from operating activities:					
Net (loss) income	$ (727)	$ 15,258	$ 992	$ (16,250)	$ (727)
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:					
Equity in income from operations of subsidiaries	(15,258)	(992)	—	16,250	—
Depreciation and amortization	3,622	26,765	2,562	—	32,949
Distributions received from joint venture	—	—	3,253	—	3,253
Impairment of long-lived assets	—	2,630	253	—	2,883
Share-based compensation provision	1,071	1,187	98	—	2,356
Accretion of long-term debt	524	1,486	—	—	2,010
Non-cash rent expense (credit)	—	1,661	(22)	—	1,639
Write-off and amortization of deferred financing costs	1,349	—	—	—	1,349
Tax sharing receipt from (payment to) affiliate, net	12,000	(12,000)	—	—	—
Net recognition of deferred vendor incentives	—	(58)	—	—	(58)
Deferred income tax benefit, net	(857)	—	—	—	(857)
Equity in earnings in joint ventures, net	—	—	(2,134)	—	(2,134)
Other, net	(38,626)	38,792	(356)	—	(190)
Changes in operating assets and liabilities:					
Accounts and notes receivable	1,322	(795)	(690)	—	(163)
Inventories	—	803	117	—	920
Prepaid expenses and other current assets	969	(3,092)	(321)	—	(2,444)
Accounts payable	(3,307)	(7,707)	(1,134)	—	(12,148)
Accrued expenses and other current liabilities	(22,255)	(11,755)	(7,728)	—	(41,738)
Net cash (used in) provided by operating activities	(60,173)	52,183	(5,110)	—	(13,100)
Cash flows from investing activities:					
Capital expenditures	(2,774)	(41,495)	(2,729)	—	(46,998)
Restaurant acquisitions	—	(2,594)	—	—	(2,594)
Franchise incentive loans	—	(1,096)	—	—	(1,096)
Other, net	—	(924)	907	—	(17)
Net cash used in investing activities	(2,774)	(46,109)	(1,822)	—	(50,705)
Cash flows from financing activities:					
Repayments of long-term debt	(1,541)	(493)	(64)	—	(2,098)
Net cash used in financing activities	(1,541)	(493)	(64)	—	(2,098)
Net cash (used in) provided by operations before effect of exchange rate changes on cash	(64,488)	5,581	(6,996)	—	(65,903)
Effect of exchange rate changes on cash	—	—	968	—	968
Net (decrease) increase in cash and cash equivalents	(64,488)	5,581	(6,028)	—	(64,935)
Cash and cash equivalents at beginning of period	174,638	128,818	43,192	—	346,648
Cash and cash equivalents at end of period	$ 110,150	$ 134,399	$ 37,164	$ —	$ 281,713

THE WENDY'S COMPANY AND SUBSIDIARIES
WENDY'S RESTAURANTS, LLC AND SUBSIDIARIES
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands Except Per Share Amounts)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

For the three months ended April 3, 2011

	Parent	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Total
Cash flows from operating activities:					
Net income (loss)	$ 1,025	$ 14,548	$ (9,878)	$ (4,670)	$ 1,025
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:					
Equity in (income) loss from operations of subsidiaries	(13,386)	8,716	—	4,670	—
Depreciation and amortization	2,588	24,597	15,475	—	42,660
Net receipt of deferred vendor incentives	—	19,086	10,271	—	29,357
Impairment of long-lived assets	—	7,543	2,069	—	9,612
Distributions received from joint venture	—	—	3,113	—	3,113
Share-based compensation provision	1,196	1,223	580	—	2,999
Write-off and amortization of deferred financing costs	2,148	—	—	—	2,148
Accretion of long-term debt	595	1,456	79	—	2,130
Non-cash rent expense (credit)	—	1,914	(107)	—	1,807
Tax sharing receipt from (payment to) affiliate, net	14,000	(14,000)	—	—	—
Deferred income tax (benefit) provision, net	(272)	(413)	349	—	(336)
Equity in earnings in joint venture	—	—	(2,363)	—	(2,363)
Tax sharing payment to The Wendy's Company	(13,078)	—	—	—	(13,078)
Other, net	13,786	3,021	(17,051)	—	(244)
Changes in operating assets and liabilities net:					
Accounts and notes receivable	37	2,163	6	—	2,206
Inventories	—	819	(1,189)	—	(370)
Prepaid expenses and other current assets	(633)	(3,041)	(4,823)	—	(8,497)
Accounts payable	(223)	(933)	4,770	—	3,614
Accrued expenses and other current liabilities	(21,046)	(5,022)	(7,112)	—	(33,180)
Net cash (used in) provided by operating activities	(13,263)	61,677	(5,811)	—	42,603
Cash flows from investing activities:					
Capital expenditures	(3,293)	(18,920)	(6,355)	—	(28,568)
Restaurant acquisitions	—	(2,900)	—	—	(2,900)
Other, net	—	228	75	—	303
Net cash used in investing activities	(3,293)	(21,592)	(6,280)	—	(31,165)
Cash flows from financing activities:					
Repayments of long-term debt	(26,117)	(198)	(3,450)	—	(29,765)
Capital contributions from Parent	(30,000)	—	30,000	—	—
Other, net	(18)	—	—	—	(18)
Net cash (used in) provided by financing activities	(56,135)	(198)	26,550	—	(29,783)
Net cash (used in) provided by operations before effect of exchange rate changes on cash	(72,691)	39,887	14,459	—	(18,345)
Effect of exchange rate changes on cash	—	—	959	—	959
Net (decrease) increase in cash and cash equivalents	(72,691)	39,887	15,418	—	(17,386)
Cash and cash equivalents at beginning of period	79,355	53,810	65,521	—	198,686
Cash and cash equivalents at end of period	$ 6,664	$ 93,697	$ 80,939	$ —	$ 181,300

Item 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

Introduction

This "Management's Discussion and Analysis of Financial Condition and Results of Operations" of The Wendy's Company ("The Wendy's Company" and, together with its subsidiaries, the "Company") and Wendy's Restaurants, LLC ("Wendy's Restaurants") should be read in conjunction with the accompanying unaudited condensed consolidated financial statements included elsewhere herein and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended January 1, 2012 (the "Form 10-K"). There have been no material changes as of April 1, 2012 to the application of our critical accounting policies as described in Item 7 of the Form 10-K. Certain statements we make under this Item 2 constitute "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. See "Special Note Regarding Forward-Looking Statements and Projections" in "Part II - Other Information" preceding "Item 1." You should consider our forward-looking statements in light of our unaudited condensed consolidated financial statements, related combined notes, and other financial information appearing elsewhere in this report, the Form 10-K and our other filings with the Securities and Exchange Commission.

The Wendy's Company is the parent company of its 100% owned subsidiary holding company, Wendy's Restaurants. On July 4, 2011, Wendy's Restaurants completed the sale of 100% of the common stock of its then wholly owned subsidiary, Arby's Restaurant Group, Inc. ("Arby's") (while indirectly retaining an 18.5% interest in Arby's), as described in the Form 10-K. Arby's operating results for the three months ended April 3, 2011 are classified as discontinued operations in the accompanying unaudited condensed consolidated statements of operations. After this sale, the principal 100% owned subsidiary of Wendy's Restaurants is Wendy's International, Inc. ("Wendy's") and its subsidiaries. Wendy's franchises and operates company-owned Wendy's® quick service restaurants throughout the United States of America (the "U.S."). Wendy's also has franchised restaurants in 27 foreign countries and U.S. territories.

Wendy's restaurants offer an extensive menu specializing in hamburger sandwiches and featuring filet of chicken breast sandwiches, chicken nuggets, chili, side dishes, freshly prepared salads, soft drinks, milk, Frosty® desserts, floats and kids' meals. In addition, the restaurants sell a variety of promotional products on a limited basis.

The Wendy's Company and Wendy's Restaurants (together, the "Companies") manage and internally report their business geographically. The operation and franchising of Wendy's restaurants in North America (defined as the U.S. and Canada) comprises virtually all of our current operations and represents a single reportable segment. The revenues and operating results of Wendy's restaurants outside of North America (including through our joint venture in Japan (the "Japan JV") are not material. References herein to The Wendy's Company corporate ("Corporate") represent The Wendy's Company parent company only functions and their effect on the Company's consolidated results of operations and financial condition. The results of operations discussed below may not necessarily be indicative of future results.

Executive Overview

Our Continuing Business

As of April 1, 2012, the Wendy's restaurant system was comprised of 6,581 restaurants, of which 1,414 were owned and operated by the Companies. Our company-owned restaurants are located principally in the U.S. and to a lesser extent in Canada.

Wendy's operating results have been impacted by a number of external factors, including high unemployment, negative general economic trends and intense price competition, as well as increased commodity costs in the first quarter of 2012. These increased costs negatively affected cost of sales and restaurant margins.

Wendy's long-term growth opportunities include (1) improving our North America business by elevating the total customer experience through core menu improvement, step-change product innovation and focused execution of operational excellence and brand positioning and which will be supported by (2) investing in an Image Activation program, which includes innovative exterior and interior restaurant designs, for our new and remodeled restaurants, (3) continuing to develop our breakfast program, (4) employing financial strategies to improve our net income and (5) building the brand worldwide.

Wendy's revenues for the first three months of 2012 include: (1) $501.8 million of sales at company-owned restaurants, (2) $18.1 million from the sale of bakery items, (3) $67.7 million of royalty income from franchisees, and (4) $5.6 million of other franchise-related revenue and other revenues. Substantially all of our Wendy's royalty agreements provided for royalties of 4.0% of franchise revenues for the three months ended April 1, 2012.

Key Business Measures

We track our results of operations and manage our business using the following key business measures:

- Same-Store Sales

  In the 2012 first quarter, we began reporting Wendy's same-store sales commencing after new restaurants have been open for at least 15 continuous months and after remodeled restaurants have been reopened for three continuous months (the "New Method"). Prior thereto, the calculation of same-store sales commenced after a restaurant had been open for at least 15 continuous months and as of the beginning of the previous fiscal year (the "Old Method"). The tables summarizing the results of operations below provide the same-store sales percentage change using the current New Method, as well as our former Old Method. Same-store sales exclude the impact of currency translation.

- Restaurant Margin

  We define restaurant margin as sales from company-owned restaurants less cost of sales divided by sales from company-owned restaurants. Cost of sales includes food and paper, restaurant labor, and occupancy, advertising and other operating costs. Sales and cost of sales exclude amounts related to bakery items and kids' meal promotion items sold to franchisees. Restaurant margin is influenced by factors such as restaurant openings and closures, price increases, the effectiveness of our advertising and marketing initiatives, featured products, product mix, the level of our fixed and semi-variable costs, and fluctuations in food and labor costs.

Related Party Transactions

The Companies have entered into the following transactions with related parties since those reported in our Form 10-K:

(The Wendy's Company)

<u>Noncontrolling Interests in Jurl Holdings, LLC</u>

Jurl Holdings, LLC's ("Jurl"), a 99.7% owned subsidiary completed the sale of our investment in Jurlique International Pty Ltd. ("Jurlique") in February 2012. Prior to 2009 when our predecessor entity was a diversified company active in investments, we had provided our Chairman, who was also our then Chief Executive Officer, and our Vice Chairman, who was our then president and Chief Operating Officer (the "Former Executives"), and certain other former employees, equity and profits interests in Jurl. In connection with the sale of Jurlique, we distributed approximately $3.7 million to Jurl's minority shareholders, including approximately $2.3 million to the Former Executives in the three months ended April 1, 2012.

Japan Joint Venture Guarantee

In 2012, Wendy's Restaurants (1) provided a guarantee to certain lenders to the Japan JV for which our joint venture partners have agreed to reimburse and otherwise indemnify us for their 51% share of the guarantee and (2) agreed to reimburse and otherwise indemnify our joint venture partners for our 49% share of the guarantee by our joint venture partners of a line of credit granted by a different lender to the Japan JV to fund working capital requirements. Our portion of these contingent obligations totals approximately $4.2 million (¥350.1 million) based upon current rates of exchange. The fair value of our guarantees is immaterial. The Companies anticipate that our share of additional guarantees, after the agreement of our joint venture partners to reimburse and otherwise indemnify us for their 51% share of the guarantee, of up to $3.3 million may be necessary in 2012.

Presentation of Financial Information

The Companies report on a fiscal year consisting of 52 or 53 weeks ending on the Sunday closest to December 31. All quarters presented contain 13 weeks. All references to years and quarters relate to fiscal periods rather than calendar periods. Certain percentage changes between these years are considered not measurable or not meaningful ("n/m").

As a result of the sale of Arby's as discussed above in "Introduction," Arby's results of operations for the quarter ended April 3, 2011 have been included in "Loss from discontinued operations, net of income taxes" in the tables below.

Results of Operations

The tables included throughout Results of Operations set forth in millions the Companies' consolidated results of operations for the three months ended April 1, 2012 and April 3, 2011:

(The Wendy's Company)

	Three Months Ended			
	April 1, 2012	April 3, 2011	$ Change	% Change
Revenues:				
Sales	$ 519.9	$ 509.3	$ 10.6	2.1%
Franchise revenues	73.3	73.2	0.1	0.1
	593.2	582.5	10.7	1.8
Costs and expenses:				
Cost of sales	455.5	438.9	16.6	3.8
General and administrative	72.3	74.7	(2.4)	(3.2)
Depreciation and amortization	32.3	30.3	2.0	6.6
Impairment of long-lived assets	4.5	7.9	(3.4)	(43.0)
Facilities relocation and other transition costs	5.5	—	5.5	100.0
Transaction related costs	0.6	1.9	(1.3)	(68.4)
Other operating expense, net	1.6	0.8	0.8	100.0
	572.3	554.5	17.8	3.2
Operating profit	20.9	28.0	(7.1)	(25.4)
Interest expense	(28.2)	(29.4)	1.2	(4.1)
Gain on sale of investment, net	27.4	—	27.4	100.0
Other income, net	1.5	0.2	1.3	n/m
Income (loss) from continuing operations before income taxes and noncontrolling interests	21.6	(1.2)	22.8	n/m
(Provision for) benefit from income taxes	(6.9)	0.9	(7.8)	n/m
Income (loss) from continuing operations	14.7	(0.3)	15.0	n/m
Loss from discontinued operations, net of income taxes	—	(1.1)	1.1	(100.0)
Net income (loss)	14.7	(1.4)	16.1	n/m
Net income attributable to noncontrolling interests	(2.3)	—	(2.3)	100.0%
Net income (loss) attributable to The Wendy's Company	$ 12.4	$ (1.4)	$ 13.8	n/m

(Wendy's Restaurants)

	Three Months Ended			
	April 1, 2012	April 3, 2011	$ Change	% Change
Revenues:				
Sales	$ 519.9	$ 509.3	$ 10.6	2.1 %
Franchise revenues	73.3	73.2	0.1	0.1
	593.2	582.5	10.7	1.8
Costs and expenses:				
Cost of sales	455.5	438.9	16.6	3.8
General and administrative	70.1	71.9	(1.8)	(2.5)
Depreciation and amortization	32.3	29.8	2.5	8.4
Impairment of long-lived assets	2.9	7.9	(5.0)	(63.3)
Facilities relocation and other transition costs	5.5	—	5.5	100.0
Transaction related costs	0.6	1.3	(0.7)	(53.8)
Other operating expense, net	1.6	0.8	0.8	100.0
	568.5	550.6	17.9	3.3
Operating profit	24.7	31.9	(7.2)	(22.6)
Interest expense	(28.1)	(29.2)	1.1	(3.8)
Other income, net	1.6	0.2	1.4	n/m
(Loss) income from continuing operations before income taxes	(1.8)	2.9	(4.7)	n/m
Benefit from (provision for) income taxes	1.1	(0.8)	1.9	n/m
(Loss) income from continuing operations	(0.7)	2.1	(2.8)	n/m
Loss from discontinued operations, net of income taxes	—	(1.1)	1.1	(100.0)%
Net (loss) income	$ (0.7)	$ 1.0	$ (1.7)	n/m

	First Quarter 2012	First Quarter 2011
Sales:		
Wendy's	$ 501.8	$ 490.4
Bakery	18.1	18.9
Total sales	$ 519.9	$ 509.3

		% of Sales		% of Sales
Cost of sales:				
Wendy's				
Food and paper	$ 168.7	33.6%	$ 157.3	32.1%
Restaurant labor	154.7	30.8%	151.1	30.8%
Occupancy, advertising and other operating costs	119.4	23.8%	116.2	23.7%
Total cost of sales	442.8	88.2%	424.6	86.6%
Bakery	12.7	n/m	14.3	n/m
Total cost of sales	$ 455.5	87.6%	$ 438.9	86.2%

	First Quarter 2012	First Quarter 2011
Margin $:		
Wendy's	$ 59.0	$ 65.8
Bakery	5.4	4.6
Total margin	$ 64.4	$ 70.4
Total Wendy's restaurant margin %	11.8%	13.4%

	New Method		Old Method	
	First Quarter 2012	First Quarter 2011	First Quarter 2012	First Quarter 2011
Wendy's restaurant statistics:				
North America same-store sales:				
Company-owned restaurants	0.8%	(0.9)%	0.5%	(0.9)%
Franchised restaurants	0.7%	0.4 %	0.7%	0.3 %
Systemwide	0.7%	0.1 %	0.7%	0.0 %
Total same-store sales:				
Company-owned restaurants	0.8%	(0.9)%	0.5%	(0.9)%
Franchised restaurants (a)	0.8%	0.5 %	0.8%	0.5 %
Systemwide (a)	0.8%	0.2 %	0.8%	0.2 %

(a) Includes international franchised restaurants same-store sales.

Restaurant count:	Company-owned	Franchised	Systemwide
Restaurant count at January 1, 2012	1,417	5,177	6,594
Opened	2	10	12
Closed	(6)	(19)	(25)
Net purchased from (sold by) franchisees	1	(1)	—
Restaurant count at April 1, 2012	1,414	5,167	6,581

Sales	Change
Wendy's	$ 11.4
Bakery	(0.8)
	$ 10.6

The increase in sales in the first quarter of 2012 was primarily due to an increase in our average per customer check amount, partially offset by a decrease in customer transactions and as impacted by changes in our product mix. Our average per customer check increased primarily due to price increases taken on certain menu items. Sales were also impacted by a $2.0 million decrease in the benefit from Canadian foreign currency rates. Wendy's company-owned stores opened or acquired subsequent to the first quarter of 2011 resulted in incremental sales of $14.8 million in the first quarter of 2012, which were partially offset by a reduction in sales of $5.8 million from locations sold or closed after the first quarter of 2011.

Cost of Sales	**Change**
Food and paper	1.5% points
Restaurant labor	—% points
Occupancy, advertising and other operating costs	0.1% points
	1.6% points

As a percent of sales, the increase in food and paper costs in the first quarter of 2012 was primarily due to a 2.2% point increase in commodity costs.

General and Administrative	**2012 Change**		
	Wendy's Restaurants	**Corporate**	**The Wendy's Company**
Management fee	$ (1.3)	$ 1.3	$ —
Professional services	(1.1)	(0.7)	(1.8)
Other	(1.7)	(1.2)	(2.9)
SSG co-op funding	2.3	—	2.3
	$ (1.8)	$ (0.6)	$ (2.4)

(The Wendy's Company)

The decrease in general and administrative expenses in the first quarter of 2012 was primarily due to a decrease in professional fees primarily related to the design and implementation of our employee retention plan in the prior year quarter that did not recur and a decrease in contract services for information technology, partially offset by the reversal of the accrual for the unpaid SSG funding commitment during the first quarter of 2011.

(Wendy's Restaurants)

The decrease in general and administrative expenses in the first quarter of 2012 was primarily due to (1) the termination of an intercompany management services agreement during the third quarter of 2011 in connection with the sale of Arby's and (2) a decrease in professional fees primarily related to a decrease in contract services for information technology, partially offset by the reversal of the accrual for the unpaid SSG funding commitment during the first quarter of 2011.

Depreciation and Amortization	**Change**
Restaurants, primarily properties	$ 2.1
Other	0.4
Total Wendy's Restaurants	2.5
Corporate	(0.5)
Total The Wendy's Company	$ 2.0

The increase in depreciation and amortization for Wendy's Restaurants in the first quarter of 2012 was primarily due to (1) software, primarily related to our restaurants, that was placed into service since the first quarter of 2011 and (2) additions related new stores and remodels as well as an Image Activation program for certain new and remodeled restaurants.

Impairment of Long-Lived Assets	**Change**
Restaurants, primarily properties at underperforming locations	$ (5.0)
Total Wendy's Restaurants	(5.0)
Aircraft	1.6
Total The Wendy's Company	$ (3.4)

The decline in impairment in the first quarter of 2012 was primarily due to the level of impairment charges taken in prior periods on properties at underperforming locations. Impairment charges were recorded on restaurant level assets resulting from a continued decline in operating performance of certain restaurants and additional charges for capital improvements in restaurants impaired in prior years which did not subsequently recover.

As described in the Form 10-K, we intend to dispose of the Company-owned aircraft leased under the aircraft lease agreement with an affiliate of the the management company (the "Management Company") which was formed by the Former Executives and a director, who was our former Vice Chairman. For the three months ended April 1, 2012, we recorded an impairment charge of $1.6 million to reflect its fair value as a result of a recent appraisal. The carrying value approximates the fair value of the aircraft. It is classified as held-for-sale and is included in "Prepaid expenses and other current assets."

Facilities Relocation and other transition costs	**Change**
Severance, retention and other payroll costs	$ 3.0
Consulting and professional fees	0.9
Relocation costs	0.6
Accelerated depreciation expense	0.6
Other	0.4
	$ 5.5

During the first quarter of 2012, the Companies incurred "Facilities relocation and other transition costs" aggregating $5.5 million, which are related to the ongoing relocation of the Atlanta restaurant support center to Ohio which is expected to be completed by the third quarter of 2012.

Transaction Related Costs

During the three months ended April 1, 2012 and April 3, 2011, Wendy's Restaurants incurred "Transaction related costs" of $0.6 million and $1.3 million (which are included in the total $1.9 million recorded by The Wendy's Company), respectively, resulting from the sale of Arby's.

Interest Expense	**Change**
Deferred financing costs	$ (0.8)
Other	(0.3)
Total Wendy's Restaurants	(1.1)
Corporate debt	(0.1)
Total The Wendy's Company	$ (1.2)

The decrease in interest expense in the first quarter of 2012 was primarily due to the amortization of additional deferred financing costs in the first quarter of 2011 as a result of the $24.9 million excess cash flow payment made on our Term Loan which did not recur in the first quarter of 2012.

Gain on Sale of Investment, Net

On February 2, 2012, Jurl completed the sale of our investment in Jurlique for which we received proceeds of $27.3 million, which is net of $3.5 million held in escrow and included in "Accounts and notes receivable." In connection with the anticipated proceeds of the sale and in order to protect ourselves from a decrease in the Australian dollar through the closing date, we entered into a foreign currency related derivative transaction for an equivalent notional amount in U.S. dollars of the expected proceeds of $28.5 million Australian dollars. We recorded a "Gain on sale of investment, net" of $27.4 million, which included a loss of $2.9 million on the settlement of the derivative transaction discussed above.

(Provision for) Benefit from Income Taxes	**Change**	
	Wendy's Restaurants	**The Wendy's Company**
	2012	**2012**
Federal and state benefit on variance in income (loss) from continuing operations before income taxes	$ 1.7	$ (8.5)
Other	0.2	0.7
	$ 1.9	$ (7.8)

Our income taxes in 2012 and 2011 were impacted by variations in income from continuing operations before tax adjusted for recurring items.

Net Income Attributable to Noncontrolling Interests

We have reflected net income attributable to noncontrolling interests of $2.3 million, net of income tax benefit of $1.3 million in the three months ended April 1, 2012 in connection with the equity and profit interests discussed below. The net assets and liabilities of the subsidiary that held the investment were not material to the consolidated financial statements. Therefore, the noncontrolling interest in those assets and liabilities was not previously reported separately. As a result of this sale and distributions to the minority shareholders, there are no remaining noncontrolling interests in this consolidated subsidiary.

Prior to 2009 when our predecessor entity was a diversified company active in investments, we had provided the Former Executives, and certain other former employees, equity and profits interests in Jurl. In connection with the gain on sale of Jurlique, we distributed, based on the related agreement, approximately $3.7 million to Jurl's minority shareholders, including approximately $2.3 million to the Former Executives.

Loss from Discontinued Operations, Net of Income Taxes

The loss from discontinued operations, net of income taxes, in the first quarter of 2011 was a result of the sale of Arby's on July 4, 2011 (the first day of our third quarter) and includes a loss from discontinued operations of $2.2 million, net of income tax benefit of $1.1 million.

Liquidity and Capital Resources

The Companies' discussion below regarding its liquidity and capital resources includes both Wendy's and Arby's. Arby's cash flows for the three months ended April 3, 2011 have been included in, and not separately reported from, our cash flows. The following tables included throughout Liquidity and Capital Resources present dollars in millions.

Net Cash Used in Operating Activities

(The Wendy's Company)

Cash used in operating activities increased $68.6 million in the first quarter of 2012 as compared to the first quarter of 2011, primarily due to the following:

- a $29.4 million decrease in the timing of receipt of deferred vendor incentives, as Q1 2012 payments have not yet been received;

- a $27.4 million gain on sale of our cost investment in Jurlique included in net income; and

- a $16.5 million increase in the use of cash resulting from changes in accounts payable balances for the comparable cash flow periods.

(Wendy's Restaurants)

Cash used in operating activities increased $55.7 million in the first quarter of 2012 as compared to the first quarter of 2011, primarily due to the following:

- a $29.4 million decrease in the timing of receipt of deferred vendor incentives, as Q1 2012 payments have not yet been received;

- a $15.8 million increase in the use of cash resulting from changes in accounts payable balances for the comparable cash flow periods;

- a $9.7 million decrease in depreciation and amortization primarily as a result of Arby's depreciation and amortization in 2011;

- a $6.7 million decrease in impairment of long-lived assets as compared to the prior period;

partially offset by a $13.1 million payment in 2011 under a tax sharing agreement with The Wendy's Company net of amounts accrued under this tax sharing agreement. No similar payments or accruals were made under this tax sharing agreement in 2012.

Additionally, for the three months ended in 2012, the Companies had the following significant uses and sources of cash other than from operating activities:

- Cash capital expenditures totaling $47.0 million, which included $8.8 million for the remodeling of restaurants, $7.2 million for the construction of new restaurants, and $31.0 million for various capital projects;

(The Wendy's Company)

- Repayments of long-term debt of $6.4 million;
- Dividend payments of $7.8 million; and
- Proceeds from the sale of our cost investment in Jurlique, net of distributions to the noncontrolling interests, of $20.7 million.

The net cash used in our business before the effect of exchange rate changes on cash was approximately $57.8 million and $65.9 million for The Wendy's Company and Wendy's Restaurants, respectively.

Sources and Uses of Cash for the Remainder of 2012

Our anticipated consolidated sources of cash and cash requirements for the remainder of 2012, exclusive of operating cash flow requirements, consist principally of:

- Capital expenditures of approximately $188 million, which would result in total cash capital expenditures for the year of approximately $235 million;
- Potential restaurant acquisitions and dispositions;

(The Wendy's Company)

- Quarterly cash dividends aggregating up to approximately $23.4 million as discussed below in "Dividends;" and

(Wendy's Restaurants)

- Potential intercompany dividends and fees.

Based upon current levels of operations, the Companies expect that cash flows from Wendy's operations and available cash will provide sufficient liquidity to meet operating cash requirements for the next 12 months.

Refinancing of Credit Agreement and Tender Offer for Senior Notes

On April 3, 2012, Wendy's commenced the marketing of a new $1,325.0 million senior secured credit facility (the "Proposed Credit Facility"). The Proposed Credit Facility is expected to be comprised of a $200.0 million revolving credit facility, which would mature in 2017, and a $1,125.0 million term loan, which would mature in 2019.

Wendy's expects to use the proceeds from the Proposed Credit Facility (1) to refinance the existing Credit Agreement, including the repayment of the Term Loan of Wendy's Restaurants, (2) to finance the redemption or repurchase of Wendy's Restaurants' outstanding Senior Notes, as further described below and (3) for general corporate purposes, including payment of financing costs and other expenses in connection with the Proposed Credit Facility and the related transactions. The closing of the Proposed Credit Facility is subject to successful marketing and other conditions, and there can be no assurance that Wendy's will be able to enter into the Proposed Credit Facility, or complete the refinancing of Wendy's Restaurants' Credit Agreement or the redemption or repurchase of the Senior Notes.

On April 17, 2012, as amended on May 1, 2012, Wendy's Restaurants commenced a tender offer to purchase any and all of its Senior Notes. Holders who validly tender Senior Notes and deliver consents to the proposed amendments prior to the early tender deadline of 5:00 p.m., Eastern time, on May 14, 2012 will receive the total consideration of $1,081.25 per $1 thousand principal amount (per Senior Note amounts not in thousands) of the Senior Notes, which includes an early tender premium/consent payment of $20.00 per $1 thousand principal amount of the Senior Notes, plus any accrued and unpaid interest on the Senior Notes up to, but not including, the payment date.

The tender offer is being made in connection with a proposed refinancing of the indebtedness of Wendy's Restaurant as described above. Subject to market conditions and other factors, Wendy's Restaurants intends to redeem any Senior Notes that remain outstanding following the completion of the tender offer.

In connection with the tender offer, Wendy's Restaurants is soliciting consents from holders of the Senior Notes to certain proposed amendments to the indenture governing the Senior Notes. The proposed amendments would, among other modifications, eliminate substantially all of the restrictive covenants and certain event of default provisions contained in the indenture governing the Senior Notes. The proposed amendments would also eliminate the requirement that Wendy's Restaurants file annual, quarterly and current reports with the Securities and Exchange Commission. Upon receipt of consents from holders of a majority in aggregate principal amount of the outstanding Senior Notes not owned by Wendy's Restaurants or any of its affiliates, Wendy's Restaurants would execute a supplemental indenture giving effect to the proposed amendments.

In connection with the refinancing of the existing Credit Agreement and the tender offer and anticipated complete redemption of the Senior Notes, the Company anticipates that it will incur debt extinguishment costs of approximately $10.2 million and $0.4 million for the Credit Agreement and $11.4 million and $53.2 million for the Senior Notes in the second and third quarters of 2012, respectively.

Dividends

(The Wendy's Company)

On March 15, 2012, The Wendy's Company paid quarterly cash dividends of $0.02 per share on its common stock, aggregating $7.8 million. On May 2, 2012, The Wendy's Company declared dividends of $0.02 per share to be paid on June 15, 2012 to shareholders of record as of June 1, 2012. If The Wendy's Company pays regular quarterly cash dividends for the remainder of 2012 at the same rate as declared in our 2012 first quarter, The Wendy's Company's total cash requirement for dividends for the remainder of 2012 would be approximately $23.4 million based on the number of shares of its common stock outstanding at May 1, 2012. The Wendy's Company currently intends to continue to declare and pay quarterly cash dividends; however, there can be no assurance that any quarterly dividends will be declared or paid in the future or of the amount or timing of such dividends, if any.

(Wendy's Restaurants)

As of April 1, 2012, under the terms of the Wendy's Restaurants' credit agreement, there was $82.9 million available for the payment of dividends directly to The Wendy's Company.

Seasonality

Our restaurant operations are moderately impacted by seasonality; Wendy's restaurant revenues are normally higher during the summer months than during the winter months. Because our business is moderately seasonal, results for any future quarter will not necessarily be indicative of the results that may be achieved for any other quarter or for the full fiscal year.

Item 3. ***Quantitative and Qualitative Disclosures about Market Risk***

There were no material changes from the information contained in the Companies' Annual Report on Form 10-K as of April 1, 2012.

Item 4. ***Controls and Procedures***

Evaluation of Disclosure Controls and Procedures

The management of The Wendy's Company and Wendy's Restaurants, under the supervision and with the participation of their Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of their disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of April 1, 2012. Based on such evaluations, the Chief Executive Officer and Chief Financial Officer concluded that as of April 1, 2012, the disclosure controls and procedures of The Wendy's Company and Wendy's Restaurants were effective in (1) recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by each company in the reports that it files or submits under the Exchange Act and (2) ensuring that information required to be disclosed by each company in such reports is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in the internal control over financial reporting of The Wendy's Company and Wendy's Restaurants during the first quarter of 2012 that materially affected, or are reasonably likely to materially affect, their internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

There are inherent limitations in the effectiveness of any control system, including the potential for human error and the possible circumvention or overriding of controls and procedures. Additionally, judgments in decision-making can be faulty and breakdowns can occur because of simple error or mistake. An effective control system can provide only reasonable, not absolute, assurance that the control objectives of the system are adequately met. Accordingly, the management of The Wendy's Company and Wendy's Restaurants, including their Chief Executive Officer and Chief Financial Officer, does not expect that the control system can prevent or detect all error or fraud. Finally, projections of any evaluation or assessment of effectiveness of a control system to future periods are subject to the risks that, over time, controls may become inadequate because of changes in an entity's operating environment or deterioration in the degree of compliance with policies or procedures.

PART II. OTHER INFORMATION

Special Note Regarding Forward-Looking Statements and Projections

This Quarterly Report on Form 10-Q and oral statements made from time to time by representatives of the Companies may contain or incorporate by reference certain statements that are not historical facts, including, most importantly, information concerning possible or assumed future results of operations of the Companies. Those statements, as well as statements preceded by, followed by, or that include the words "may," "believes," "plans," "expects," "anticipates," or the negation thereof, or similar expressions, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Reform Act"). All statements that address future operating, financial or business performance; strategies or expectations; future synergies, efficiencies or overhead savings; anticipated costs or charges; future capitalization; and anticipated financial impacts of recent or pending transactions are forward-looking statements within the meaning of the Reform Act. The forward-looking statements are based on our expectations at the time such statements are made, speak only as of the dates they are made and are susceptible to a number of risks, uncertainties and other factors. Our actual results, performance and achievements may differ materially from any future results, performance or achievements expressed or implied by our forward-looking statements. For all of our 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 the forward-looking statements contained herein. 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, the following:

- competition, including pricing pressures, couponing, aggressive marketing and the potential impact of competitors' new unit openings on sales of Wendy's restaurants;
- consumers' perceptions of the relative quality, variety, affordability and value of the food products we offer;
- food safety events, including instances of food-borne illness (such as salmonella or E. coli) involving Wendy's or its supply chain;
- consumer concerns over nutritional aspects of beef, poultry, french fries or other products we sell, or concerns regarding the effects of disease outbreaks such as "mad cow disease" and avian influenza or "bird flu";
- success of operating and marketing initiatives, including advertising and promotional efforts and new product and concept development by us and our competitors;
- the impact of general economic conditions and high unemployment rates on consumer spending, particularly in geographic regions that contain a high concentration of Wendy's restaurants;
- changes in consumer tastes and preferences, and in discretionary consumer spending;
- changes in spending patterns and demographic trends, such as the extent to which consumers eat meals away from home;
- certain factors affecting our franchisees, including the business and financial viability of franchisees, the timely payment of such franchisees' obligations due to us or to national or local advertising organizations, and the ability of our franchisees to open new restaurants in accordance with their development commitments, including their ability to finance restaurant development and remodels;
- changes in commodity costs (including beef, chicken and corn), labor, supply, fuel, utilities, distribution and other operating costs;
- availability, location and terms of sites for restaurant development by us and our franchisees;
- development costs, including real estate and construction costs;
- delays in opening new restaurants or completing remodels of existing restaurants;
- the timing and impact of acquisitions and dispositions of restaurants;
- our ability to successfully integrate acquired restaurant operations;

- anticipated or unanticipated restaurant closures by us and our franchisees;

- our ability to identify, attract and retain potential franchisees with sufficient experience and financial resources to develop and operate Wendy's restaurants successfully;

- availability of qualified restaurant personnel to us and to our franchisees, and the ability to retain such personnel;

- our ability, if necessary, to secure alternative distribution of supplies of food, equipment and other products to Wendy's restaurants at competitive rates and in adequate amounts, and the potential financial impact of any interruptions in such distribution;

- availability and cost of insurance;

- adverse weather conditions;

- availability, terms (including changes in interest rates) and deployment of capital;

- changes in, and our ability to comply with, legal, regulatory or similar requirements, including franchising laws, accounting standards, payment card industry rules, overtime rules, minimum wage rates, wage and hour laws, government-mandated health care benefits, tax legislation and menu-board labeling requirements;

- the costs, uncertainties and other effects of legal, environmental and administrative proceedings;

- the effects of charges for impairment of goodwill or for the impairment of other long-lived assets;

- the effects of war or terrorist activities;

- expenses and liabilities for taxes related to periods up to the date of sale of Arby's as a result of the indemnification provisions of the Arby's Purchase and Sale Agreement; and

- other risks and uncertainties affecting us and our subsidiaries referred to in our Annual Report on Form 10-K for the fiscal year ended January 1, 2012 (see especially "Item 1A. Risk Factors" and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations") and in our other current and periodic filings with the Securities and Exchange Commission.

All future written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. New risks and uncertainties arise from time to time, and it is impossible for us to predict these events or how they may affect us. We assume no obligation to update any forward-looking statements after the date of this Quarterly Report on Form 10-Q as a result of new information, future events or developments, except as required by Federal securities laws. In addition, it is our policy generally not to endorse any projections regarding future performance that may be made by third parties.

Item 1. *Legal Proceedings.*

We are involved in litigation and claims incidental to our current and prior businesses. We provide reserves for such litigation and claims when payment is probable and reasonably estimable. As of April 1, 2012, the Companies had reserves for continuing operations for all of its legal and environmental matters aggregating $2,305. We cannot estimate the aggregate possible range of loss due to most proceedings being in preliminary stages, with various motions either yet to be submitted or pending, discovery yet to occur, and significant factual matters unresolved. In addition, most cases seek an indeterminate amount of damages and many involve multiple parties. Predicting the outcomes of settlement discussions or judicial or arbitral decisions is thus inherently difficult. Based on currently available information, including legal defenses available to us, and given the aforementioned reserves and our insurance coverage, we do not believe that the outcome of these legal and environmental matters will have a material effect on our consolidated financial position or results of operations.

The Annual Report on Form 10-K (the "Form 10-K") described certain tax-related claims between Wendy's International, Inc. and Tim Hortons Inc. ("THI"). Since the date the Form 10-K was filed, the parties have agreed on a mediator. We cannot estimate a range of possible loss, if any, for this matter at this time since, among other things, it is still in a preliminary stage, significant factual and legal issue are unresolved, no mediation sessions have been held, and the mediation will be non-binding. If no agreed resolution is reached, the matter would be resolved either by litigation or binding mandatory arbitration, in which case various motions would be submitted and discovery would occur. If no agreed resolution is reached, Wendy's intends to vigorously assert its claim and defend against the THI claims.

Item 1A. ***Risk Factors.***

In addition to the information contained in this report, you should carefully consider the risk factors disclosed in our Form 10-K, which could materially affect our business, financial condition or future results. Except as described elsewhere in this report, there have been no material changes from the risk factors previously disclosed in our Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

The following table provides information with respect to repurchases of shares of our common stock by us and our "affiliated purchasers" (as defined in Rule 10b-18(a)(3) under the Exchange Act) during the first fiscal quarter of 2012:

Issuer Repurchases of Equity Securities

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plan
January 2, 2012 through February 5, 2012	8,924	$ 5.20	—	$ —
February 6, 2012 through March 4, 2012	356,755	$ 5.24	—	$ —
March 5, 2012 through April 1, 2012	235,288	$ 4.83	—	$ —
Total	600,967	$ 5.08	—	$ —

(1) Represents shares reacquired by The Wendy's Company from holders of share-based awards to satisfy certain requirements associated with the vesting or exercise of the respective award. The shares were valued at the average of the high and low trading prices of our common stock on the vesting date of such awards.

Item 4. ***Mine Safety Disclosures.***

Not applicable.

Item 6. ***Exhibits.***

EXHIBIT NO.	DESCRIPTION
2.1	Agreement and Plan of Merger, dated as of April 23, 2008, by and among Triarc Companies, Inc., Green Merger Sub, Inc. and Wendy's International, Inc., incorporated herein by reference to Exhibit 2.1 to Triarc's Current Report on Form 8-K dated April 29, 2008 (SEC file no. 001-02207).
2.2	Side Letter Agreement, dated August 14, 2008, by and among Triarc Companies, Inc., Green Merger Sub, Inc. and Wendy's International, Inc., incorporated herein by reference to Exhibit 2.3 to Triarc's Registration Statement on Form S-4, Amendment No.3, filed on August 15, 2008 (Reg. no. 333-151336).
2.3	Purchase and Sale Agreement, dated as of June 13, 2011, by and among Wendy's/Arby's Restaurants, LLC, ARG Holding Corporation and ARG IH Corporation, incorporated herein by reference to Exhibit 2.1 of the Wendy's/Arby's Group, Inc. and Wendy's/Arby's Restaurants, LLC Current Reports on Form 8-K filed on June 13, 2011 (SEC file nos. 001-02207 and 333-161613, respectively).
2.4	Closing letter dated as of July 1, 2011 by and among Wendy's/Arby's Restaurants, LLC, ARG Holding Corporation, ARG IH Corporation, and Roark Capital Partners II, LP, incorporated by reference to Exhibit 2.2 of the Wendy's/Arby's Group, Inc. and Wendy's/Arby's Restaurants, LLC Current Reports on Form 8-K filed on July 8, 2011 (SEC file nos. 001-02207 and 333-161613, respectively).
3.1	Restated Certificate of Incorporation of Wendy's/Arby's Group, Inc., as filed with the Secretary of State of the State of Delaware on May 26, 2011, incorporated herein by reference to Exhibit 3.1 of the Wendy's/Arby's Group, Inc. Current Report on Form 8-K filed on May 31, 2011 (SEC file no. 001-02207). (The Wendy's Company only.)
3.2	Certificate of Ownership and Merger of The Wendy's Company, incorporated herein by reference to Exhibit 3.1 of The Wendy's Company and Wendy's Restaurants, LLC Current Reports on Form 8-K filed on July 5, 2011 (SEC file nos. 001-02207 and 333-161613, respectively). (The Wendy's Company only.)
3.3	By-Laws of The Wendy's Company, as amended and restated as of August 8, 2011, incorporated herein by reference to Exhibit 3.3 to The Wendy's Company Form 10-Q for the quarter ended July 3, 2011 (SEC file no. 001-02207). (The Wendy's Company only.)
3.4	Certificate of Formation of Wendy's/Arby's Restaurants, LLC, as amended to date, incorporated herein by reference to Exhibit 3.1 to the Wendy's/Arby's Restaurants, LLC Registration Statement on Form S-4 filed on August 28, 2009 (Reg. No. 333-161613). (Wendy's Restaurants, LLC only.)
3.5	Certificate of Amendment of Wendy's Restaurants, LLC, incorporated herein by reference to Exhibit 3.2 of The Wendy's Company and Wendy's Restaurants, LLC Current Reports on Form 8-K filed on July 5, 2011 (SEC file nos. 001-02207 and 333-161613, respectively). (Wendy's Restaurants, LLC only.)
3.6	Fourth Amended and Restated Limited Liability Company Operating Agreement of Wendy's Restaurants, LLC, incorporated herein by reference to Exhibit 3.3 of The Wendy's Company and Wendy's Restaurants, LLC Current Reports on Form 8-K filed on July 5, 2011 (SEC file nos. 001-02207 and 333-161613, respectively). (Wendy's Restaurants, LLC only.)
10.1	Letter Agreement dated as of March 16, 2012 by and between The Wendy's Company and Craig S. Bahner.* **
10.2	Amendment to Letter Agreement dated March 23, 2012 by and between The Wendy's Company and Darrell van Ligten. * **
31.1	Certification of the Chief Executive Officer of The Wendy's Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.2	Certification of the Chief Financial Officer of The Wendy's Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.3	Certification of the Chief Executive Officer of Wendy's Restaurants, LLC pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.4	Certification of the Chief Financial Officer of Wendy's Restaurants, LLC pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
32.1	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, furnished as an exhibit to this Form 10-K.*

101.INS	XBRL Instance Document***
101.SCH	XBRL Taxonomy Extension Schema Document***
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document***
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document***
101.LAB	XBRL Taxonomy Extension Label Linkbase Document***
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document***

---

* Filed herewith

** Identifies a management contract or compensatory plan or arrangement.

*** In accordance with Regulation S-T, the XBRL-related information in Exhibit 101 to this Quarterly Report on Form 10-Q shall be deemed to be "furnished" and not "filed."

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE WENDY'S COMPANY
(Registrant)

Date: May 8, 2012

By: /s/Stephen E. Hare
Stephen E. Hare
Senior Vice President and
Chief Financial Officer
(On behalf of the Company)

Date: May 8, 2012

By: /s/Steven B. Graham
Steven B. Graham
Senior Vice President and
Chief Accounting Officer
(Principal Accounting Officer)

Pursuant to the requirements of Section 13 or 15(d) the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WENDY'S RESTAURANTS, LLC
(Registrant)

Date: May 8, 2012

By: /s/Stephen E. Hare
Stephen E. Hare
Senior Vice President and
Chief Financial Officer
(On behalf of the Company)

Date: May 8, 2012

By: /s/Steven B. Graham
Steven B. Graham
Senior Vice President and
Chief Accounting Officer
(Principal Accounting Officer)

Exhibit Index

EXHIBIT NO.	DESCRIPTION
2.1	Agreement and Plan of Merger, dated as of April 23, 2008, by and among Triarc Companies, Inc., Green Merger Sub, Inc. and Wendy's International, Inc., incorporated herein by reference to Exhibit 2.1 to Triarc's Current Report on Form 8-K dated April 29, 2008 (SEC file no. 001-02207).
2.2	Side Letter Agreement, dated August 14, 2008, by and among Triarc Companies, Inc., Green Merger Sub, Inc. and Wendy's International, Inc., incorporated herein by reference to Exhibit 2.3 to Triarc's Registration Statement on Form S-4, Amendment No.3, filed on August 15, 2008 (Reg. no. 333-151336).
2.3	Purchase and Sale Agreement, dated as of June 13, 2011, by and among Wendy's/Arby's Restaurants, LLC, ARG Holding Corporation and ARG IH Corporation, incorporated herein by reference to Exhibit 2.1 of the Wendy's/Arby's Group, Inc. and Wendy's/Arby's Restaurants, LLC Current Reports on Form 8-K filed on June 13, 2011 (SEC file nos. 001-02207 and 333-161613, respectively).
2.4	Closing letter dated as of July 1, 2011 by and among Wendy's/Arby's Restaurants, LLC, ARG Holding Corporation, ARG IH Corporation, and Roark Capital Partners II, LP, incorporated by reference to Exhibit 2.2 of the Wendy's/Arby's Group, Inc. and Wendy's/Arby's Restaurants, LLC Current Reports on Form 8-K filed on July 8, 2011 (SEC file nos. 001-02207 and 333-161613, respectively).
3.1	Restated Certificate of Incorporation of Wendy's/Arby's Group, Inc., as filed with the Secretary of State of the State of Delaware on May 26, 2011, incorporated herein by reference to Exhibit 3.1 of the Wendy's/Arby's Group, Inc. Current Report on Form 8-K filed on May 31, 2011 (SEC file no. 001-02207). (The Wendy's Company only.)
3.2	Certificate of Ownership and Merger of The Wendy's Company, incorporated herein by reference to Exhibit 3.1 of The Wendy's Company and Wendy's Restaurants, LLC Current Reports on Form 8-K filed on July 5, 2011 (SEC file nos. 001-02207 and 333-161613, respectively). (The Wendy's Company only.)
3.3	By-Laws of The Wendy's Company, as amended and restated as of August 8, 2011, incorporated herein by reference to Exhibit 3.3 to The Wendy's Company Form 10-Q for the quarter ended July 3, 2011 (SEC file no. 001-02207). (The Wendy's Company only.)
3.4	Certificate of Formation of Wendy's/Arby's Restaurants, LLC, as amended to date, incorporated herein by reference to Exhibit 3.1 to the Wendy's/Arby's Restaurants, LLC Registration Statement on Form S-4 filed on August 28, 2009 (Reg. No. 333-161613). (Wendy's Restaurants, LLC only.)
3.5	Certificate of Amendment of Wendy's Restaurants, LLC, incorporated herein by reference to Exhibit 3.2 of The Wendy's Company and Wendy's Restaurants, LLC Current Reports on Form 8-K filed on July 5, 2011 (SEC file nos. 001-02207 and 333-161613, respectively). (Wendy's Restaurants, LLC only.)
3.6	Fourth Amended and Restated Limited Liability Company Operating Agreement of Wendy's Restaurants, LLC, incorporated herein by reference to Exhibit 3.3 of The Wendy's Company and Wendy's Restaurants, LLC Current Reports on Form 8-K filed on July 5, 2011 (SEC file nos. 001-02207 and 333-161613, respectively). (Wendy's Restaurants, LLC only.)
10.1	Letter Agreement dated as of March 16, 2012 by and between The Wendy's Company and Craig S. Bahner.* **
10.2	Amendment to Letter Agreement dated March 23, 2012 by and between The Wendy's Company and Darrell van Ligten. * **
31.1	Certification of the Chief Executive Officer of The Wendy's Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.2	Certification of the Chief Financial Officer of The Wendy's Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.3	Certification of the Chief Executive Officer of Wendy's Restaurants, LLC pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.4	Certification of the Chief Financial Officer of Wendy's Restaurants, LLC pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
32.1	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, furnished as an exhibit to this Form 10-K.*

101.INS	XBRL Instance Document***
101.SCH	XBRL Taxonomy Extension Schema Document***
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document***
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document***
101.LAB	XBRL Taxonomy Extension Label Linkbase Document***
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document***

---

* Filed herewith

** Identifies a management contract or compensatory plan or arrangement.

*** In accordance with Regulation S-T, the XBRL-related information in Exhibit 101 to this Quarterly Report on Form 10-Q shall be deemed to be "furnished" and not "filed."

THE WENDY'S COMPANY

March 27, 2012

Craig S. Bahner
8 Beaufort Hunt Lane
Cincinnati, Ohio 45242

Dear Craig:

As we have discussed, it is with great pleasure that we hereby confirm your employment as Chief Marketing Officer of The Wendy's Company ("Wendy's") on the terms and conditions set forth in this letter agreement and in the attached term sheet (the "Term Sheet"), which Term Sheet is hereby incorporated herein by reference. This letter agreement sets forth our understanding effective as of April 2, 2012 (the "Effective Date"). You further agree to accept election and to serve as a director, officer, manager or representative of any subsidiary of Wendy's without any compensation therefor, other than as provided in this letter agreement. You will report to the Chief Executive Officer of Wendy's and your duties will be performed primarily at the corporate headquarters of Wendy's in Dublin, Ohio.

1. Term. Unless earlier terminated in accordance with this letter agreement, the term of your employment hereunder shall continue until the second anniversary of the Effective Date; provided, however, that the term of your employment hereunder shall automatically be extended for additional one year periods on the second anniversary of the Effective Date and each anniversary thereafter (collectively, the "Employment Term") unless either party delivers to the other, at least one hundred twenty (120) days prior to the expiration of the Employment Term, written notice of such party's desire to allow the Employment Term to expire. Your employment hereunder shall terminate as of the earlier of (a) the expiration of the Employment Term or (b) upon a termination of your employment (i) by Wendy's "without cause" (ii) by Wendy's for "cause" or (iii) by you due to a "Triggering Event" (each term as hereinafter defined) or (iv) by you in accordance with Section 7 below.

2. Termination Without Cause or due to a Triggering Event.

(a) In the event your employment is terminated by Wendy's "without cause" (as hereinafter defined) or by you due to a "Triggering Event" (as hereinafter defined):

(i) Wendy's shall, commencing on the date of such termination of employment, pay to you an amount (the "First Year Payment") equal to the sum of (I) your annual base rate of salary in effect as of the effective date of such termination and (II) an amount equal to your annual cash bonus, if any, for the year prior to the year in which your employment is terminated, payable in semi-monthly installments for a period of twelve (12) months;

(ii) Wendy's shall, commencing twelve (12) months after the effective date of such termination of your employment, pay to you an amount equal your annual base rate of salary in effect as of the effective date of such termination for an additional period of twelve (12) months (the "Second Year Payment Period"); provided, however, that if you have secured employment or are providing consulting services prior to or during the Second Year Payment Period, such semi-monthly payments required to be made to you by Wendy's during the Second Year Payment Period will be offset by compensation you earn from any such employment or services during the Second Year Payment Period;

(iii) Wendy's shall, at the same time bonuses are paid to its executives, pay to you a lump sum amount equal to the annual bonus which would be payable to you based on actual performance multiplied by a fraction, the numerator of which is the number of days from January 1 of the year in which your employment terminated through the date of such termination and the denominator of which is 365 (the "Pro Rata Bonus");

(iv) at your election you will be entitled to continue your coverage under all health and medical insurance policies maintained by Wendy's for eighteen (18) months following the termination of your employment, in fulfillment of Wendy's obligations to you under Section 4980B of the Code or under Part 6 of Title I of the Employee Retirement Income Security Act of 1974, as amended, the cost of such coverage to be paid by you;

(v) Wendy's shall pay you a lump sum cash payment of $25,000, provided such amount shall increase by 10% on the second anniversary of the Effective Date, provided you are still employed on such date; and

(vi) you will automatically become vested in that number of outstanding unvested stock options, time-vested restricted stock or time-vested restricted stock units granted to you by Wendy's, if any, in which you would have been vested if you had remained employed by Wendy's through the second anniversary of the Effective Date and any stock options, time-vested restricted stock or time-vested restricted stock units that would have remained unvested as of such date shall be automatically forfeited as of the date of your termination, and each vested stock option (whether previously vested by its terms or that otherwise would have vested had you remained employed through the second anniversary of the Effective Date) must be exercised within the earlier of (I) three (3) years following your termination or (II) the date on which such stock option expires (including upon expiration of the options in a going private transaction).

(b) A termination by Wendy's "without cause" shall mean the termination of your employment by Wendy's for any reason other than those reasons set forth in clauses (i)-(ix) of Section 4 of this letter agreement (but for the avoidance of doubt, shall not include a termination pursuant to Section 2(d) of this letter agreement).

(c) For purposes of this letter agreement, "Triggering Event" shall mean: (i) a material reduction in your responsibilities or authority as Chief Marketing Officer of Wendy's; (ii) a requirement that you report to any person other than the President and Chief Executive Officer of Wendy's or the Board of Directors of Wendy's (the "Board"); (iii) a reduction in your then current base salary (as described in the Term Sheet) or target bonus percentage (as described in the Term Sheet); or (iv) without your consent, relocation to a work situs not in the Columbus, Ohio greater metropolitan area; provided that a Triggering Event shall only be deemed to have occurred if, no later than thirty (30) days following the time you learn of the circumstances constituting a Triggering Event, you provide a written notice to Wendy's containing reasonable details of such circumstances and within thirty (30) days following the delivery of such notice to Wendy's, Wendy's has failed to cure such circumstances. Additionally, you must terminate your employment within six (6) months of the initial occurrence of the circumstances constituting a Triggering Event for such termination to be a Triggering Event.

(d) If your employment is terminated at the expiration of the Employment Term as a result of Wendy's delivery of at least 120 days advance written notice of its desire to allow the Employment Term to expire in accordance with Section 1 of this letter agreement, then Wendy's shall pay you as severance (i) not less than eight (8) months of your then current base salary and (ii) the Pro Rata Bonus, provided that you continue to work for Wendy's during such 120 day period to the extent requested to do so by Wendy's. Such payments, if any, under clause (i) shall be payable in consecutive semi-monthly installments beginning immediately after the expiration of the Employment Term and the Pro Rata Bonus, shall be paid at the same time bonuses are paid to Wendy's executives.

(e) The payment of any monies and provision of any benefits payable pursuant to this Section 2 are conditioned upon and subject to your execution of a release in substantially the form set forth in Exhibit 1 hereto which has become effective and nonrevocable in accordance with its terms (the "Release"). You acknowledge that the executed and irrevocable Release is required to be provided by you to Wendy's not later than fifty-two (52) days following your termination of employment (the "Release Condition"). Payments and benefits of amounts which do not constitute nonqualified deferred compensation (including payments under 2(a)(v) and are not subject to Section 409A (as defined below) shall commence five (5) days after the Release Condition is satisfied and payments and benefits which are subject to Section 409A shall commence on the 60th day after termination of employment (subject to further delay, if required pursuant to Section 18 below) provided that the Release Condition is satisfied.

3. Treatment of Equity Awards on Termination due to Death or Disability. In the event you should die during the Employment Term or your employment is terminated by Wendy's due to "Disability" (as hereinafter defined), (notwithstanding that Disability is treated as a termination for cause) you will automatically become vested in all of your outstanding unvested stock options, time-vested restricted stock or time-vested restricted stock units granted to you by Wendy's, and each vested stock option must be exercised within the earlier of (I) three (3) years following your death or termination due to Disability or (II) the date on which such stock option expires (including, upon expiration of the options in a going private transaction).

4. Cause. For purposes of this agreement, "cause" means: (i) commission of any act of fraud or gross negligence by you in the course of your employment hereunder that, in the case of gross negligence, has a material adverse effect on the business or financial condition of Wendy's or any of its affiliates; (ii) willful material misrepresentation at any time by you to Wendy's Chief Executive Officer or the Board; (iii) voluntary termination by you of your employment (other than on account of a Triggering Event); (iv) the willful failure or refusal to comply with any of your material obligations hereunder or to comply with

a reasonable and lawful instruction of Wendy's Chief Executive Officer or the Board that, to the extent curable, is not cured within five (5) days from the date that Wendy's gives you notice of your breach of this subsection (iv); (v) engagement by you in any conduct or the commission by you of any act that is,- in the reasonable opinion of the Board, materially injurious or detrimental to the substantial interest of Wendy's or any of its affiliates; (vi) your indictment for any felony, whether of the United States or any state thereof or any similar foreign law to which you may be subject; (vii) any failure substantially to comply with any written rules, regulations, policies or procedures of Wendy's furnished to you that, if not complied with, could reasonably be expected to have a material adverse effect on the business of Wendy's or any of its affiliates; (viii) any willful failure to comply with Wendy's policies regarding insider trading; (ix) your death; or (x) your inability to perform all or a substantial part of your duties or responsibilities on account of your illness (either physical or mental) for more than ninety (90) consecutive calendar days or for an aggregate of one-hundred fifty (150) calendar days during any consecutive nine (9) month period ("Disability").

5. Return of Property. You acknowledge that all notes, memoranda, specifications, devices, formulas, records, files, lists, drawings, documents, models, equipment, property, computer software or intellectual property relating to the businesses of Wendy's and its affiliates, in whatever form (including electronic), and all copies thereof, that are received or created by you while employed hereunder by Wendy's are and shall remain the property of Wendy's, and you shall immediately return such property (including, but not limited to, credit cards, computers, personal data assistants, automobiles and cell phones) to Wendy's upon the termination of your employment hereunder and, in any event, at the Company's request.

6. Resignation from Positions. Unless otherwise requested by Wendy's in writing, upon termination of your employment with Wendy's, you shall be deemed to have resigned from any and all titles, positions and appointments you hold with Wendy's and any of its affiliates whether as an officer, director, employee, committee member, trustee or otherwise. You agree to promptly execute such documents as Wendy's shall reasonably deem necessary to effect such resignations.

7. Advance Notice of Resignation. You agree to provide Wendy's with at least sixty days advance written notice prior to your voluntary resignation of employment, unless such termination is due to a Triggering Event.

8. Noncompete/Nonsolicitation/Employee No-Hire.

(a) You acknowledge that as Wendy's Chief Marketing Officer you will be involved, at the highest level, in the development, implementation, and management of Wendy's business strategies and plans, including those which involve Wendy's finances, marketing and other operations, and acquisitions and, as a result, you will have access to Wendy's most valuable trade secrets and proprietary information. By virtue of your unique and sensitive position, your employment by a competitor of Wendy's represents a material unfair competitive danger to Wendy's and the use of your knowledge and information about Wendy's business, strategies and plans can and would constitute a competitive advantage over Wendy's. You further acknowledge that the provisions of this Section 8 are reasonable and necessary to protect Wendy's legitimate business interests.

(b) In view of clause (a) above, you hereby covenant and agree that during your employment with Wendy's (except in the proper discharge of your duties hereunder) and either (x) in the event your employment with Wendy's is terminated "without cause" or due to a Triggering Event, for a period of twenty-four (24) months following such termination, (y) in the event your employment with Wendy's is terminated for cause or other than due to a Triggering Event, for a period of twelve (12) months following such termination or (z) in the event your employment with Wendy's is terminated pursuant to Section 2(d), for a period of eight (8) months following such termination:

(i) in any state or territory of the United States (and the District of Columbia) or any country where Wendy's maintains restaurants, you will not engage or be engaged in any capacity, "directly or indirectly" (as defined below), except as a passive investor owning less than a two percent (2%) interest in a publicly held company, in any business or entity that is competitive with the business of Wendy's or its affiliates. This restriction includes, without limitation, (A) any business engaged in drive through or food service restaurant business typically referred to as "Quick Service" restaurants (such as Burger King, McDonald's, Jack in the Box, Yum! Brands, Inc., Tim Hortons Inc. etc.), or " Fast Casual" restaurants (such as Panera Bread and Chipotle Grill, etc.). Notwithstanding anything to the contrary herein, this restriction shall not prohibit you from (X) accepting employment, operating or otherwise becoming associated with a franchisee of Wendy's, any of its affiliates or any subsidiary of the foregoing, but only in connection with activities associated with the operation of such a franchise or activities that otherwise are not encompassed by the restrictions of this Section, subject to any confidentiality obligations contained herein, or (Y) accepting employment, operating or otherwise becoming associated with a "Quick-Service" or "Fast Casual" restaurant business of a brand that has less than 100 outlets system-wide (including both franchised outlets and franchisor-operated outlets), provided that, with regard to (Y), you agree that you will not, for a period of six (6) months after your termination of employment for any of the reasons set forth in Section 8(b) above, (a) serve on the board of directors or similar governing body of such business or entity or (b) serve in a senior level marketing or strategic capacity for such business;

(ii) you will not, directly or indirectly, without Wendy's prior written consent, hire or cause to be hired, solicit or encourage to cease to work with Wendy's or any of its subsidiaries or affiliates, any person who is at the time of such activity, or who was within the six (6) month period preceding such activity, an employee of Wendy's or any of its subsidiaries or affiliates at the level of director or any more senior level or a consultant under contract with Wendy's or any of its subsidiaries or affiliates and whose primary client is such entity or entities; and

(iii) you will not, directly or indirectly, solicit, encourage or cause any franchisee or supplier of Wendy's or any of its subsidiaries or affiliates to cease doing business with Wendy's or subsidiary or affiliate, or to reduce the amount of business such franchisee or supplier does with Wendy's or such subsidiary or affiliate.

(c) For purposes of this Section 8, "directly or indirectly" means in your individual capacity for your own benefit or as a shareholder, lender, partner, member or other principal, officer, director, employee, agent or consultant of or to any individual, corporation, partnership, limited liability company, trust, association or any other entity whatsoever; provided, however, that you may own stock in Wendy's and may operate, directly or indirectly, Wendy's restaurants as a franchisee without violating Sections 8(b)(i) or 8(b)(iii).

(d) If any competent authority having jurisdiction over this Section 8 determines that any of the provisions of this Section 8 is unenforceable because of the duration or geographical scope of such provision, such competent authority shall have the power to reduce the duration or scope, as the case may be, of such provision and, in its reduced form, such provision shall then be enforceable. In the event of your breach of your obligations under the post employment restrictive covenants, then the post employment restricted period shall be tolled and extended during the length of such breach, to the extent permitted by law.

9. Confidential Information. You agree to treat as confidential and not to disclose to anyone other than Wendy's and its subsidiaries and affiliates, and their respective officers, directors, employees and agents, and you agree that you will not at any time during your employment and for a period of four years thereafter, without the prior written consent of Wendy's, divulge, furnish, or make known or accessible to, or use for the benefit of anyone other than Wendy's, its subsidiaries, and affiliates, any information of a confidential nature relating in any way to the business of Wendy's or its subsidiaries or affiliates, or any of their respective franchisees, suppliers or distributors, unless (i) you are required to disclose such information by requirements of law, (ii) such information is in the public domain through no fault of yours, or (iii) such information has been lawfully acquired by you from other sources unless you know that such information was obtained in violation of an agreement of confidentiality. You further agree that during the period referred to in the immediately preceding sentence you will refrain from engaging in any conduct or making any statement, written or oral that is disparaging of Wendy's, any of its subsidiaries or affiliates or any of their respective directors or officers. Wendy's agrees to instruct its then current members of the Board and each of its then current executive officers during the period referred to in the first sentence of this Section 9 to refrain from making any statement, written or oral that is disparaging of you, your personal reputation or your professional competency.

10. Enforcement. You agree that, in addition to any other remedy provided at law or in equity, (a) Wendy's shall be entitled to (without the requirement to post a bond) a temporary restraining order, and both preliminary and permanent injunctive relief restraining you from violating any of the provisions of Sections 8 or 9 of this letter agreement (in recognition of the fact that damages in the event of a breach by you of Sections 8 or 9 of this letter agreement would be difficult if not impossible to ascertain and inadequate to remedy), (b) you will indemnify and hold Wendy's and its affiliates harmless from and against any and all damages or losses incurred by Wendy's or any of its affiliates (including reasonable attorneys' fees and expenses) as a result of any willful or reckless violation by you of any such provisions and (c) upon any such willful or reckless violation by you, Wendy's' remaining obligations under this letter agreement, if any, shall cease (other than payment of your base salary through the date of termination of your employment and any earned but unpaid vacation, and other than as may otherwise be required by law).

11. Governing Law; Jurisdiction and Venue; Entire Agreement; Jury Trial Waiver.

(a) It is the intent of the parties hereto that all questions with respect to the construction of this letter agreement and the rights and liabilities of the parties hereunder shall be determined in accordance with the laws of the State of Delaware, without regard to principles of conflicts of laws thereof that would call for the application of the substantive law of any jurisdiction other than the State of Delaware.

(b) Each party irrevocably agrees for the exclusive benefit of the other that any and all suits, actions or proceedings relating to Sections 8, 9, and, as it relates to Sections 8 and 9, Sections 10 and 11 of this letter agreement (collectively, "Proceedings" and, individually, a "Proceeding") shall be maintained in either the courts of the State of Delaware or the federal District Courts sitting in Wilmington, Delaware (collectively, the "Chosen Courts") and that the Chosen Courts shall have exclusive jurisdiction to hear and determine or settle any such Proceeding and that any such Proceedings shall only be brought in the Chosen Courts. Each party irrevocably waives any objection that it may have now or hereafter to the laying of the venue of any Proceedings in the Chosen Courts and any claim that any Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceeding brought in the Chosen Courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

(c) Each of the parties hereto agrees that this letter agreement involves at least $100,000 and that this letter agreement has been entered into in express reliance on Section 2708 of Title 6 of the Delaware Code. Each of the parties hereto irrevocably and unconditionally agrees that, to the extent such party is not otherwise subject to service of process in the State of Delaware, service of process may be made on such party by pre-paid certified mail with a validated proof of mailing receipt constituting evidence of valid service sent to such party at the address set forth in this letter agreement, as such address may be changed from time to time pursuant hereto, and that service made pursuant to this Section 11(c) shall, to the fullest extent permitted by applicable law, have the same legal force and effect as if served upon such party personally within the State of Delaware.

(d) This letter agreement contains the entire agreement among the parties with respect to the matters covered herein and supersedes all prior agreements, written or oral, with respect thereto. This letter agreement may only be amended, superseded, cancelled, extended or renewed and the terms hereof waived, by a written instrument signed by the parties hereto, or in the case of a waiver, by the party waiving compliance.

(e) EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY PROCEEDING, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AMONG THE PARTIES HERETO ARISING OUT OF OR RELATED TO THIS LETTER AGREEMENT OR ANY OTHER AGREEMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR FOR ANY COUNTERCLAIM THEREIN. THE PARTIES HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

12. Arbitration. Except to the extent specifically contemplated by Section 11(b) of this letter agreement, all disputes arising in connection with your employment with Wendy's (whether based on contract or tort or upon any federal, state or local statute, including but not limited to claims asserted under the Age Discrimination in Employment Act, Title VII of the Civil Rights Act of 1964, as amended, any state Fair Employment Practices Act and/or the Americans with Disability Act) or any rights arising pursuant to this letter agreement shall, at the election of either you or Wendy's, be submitted to JAMS/ENDISPUTE for resolution in arbitration in accordance with the rules and procedures of JAMS/ENDISPUTE. Either party shall make such election by delivering written notice thereof to the other party at any time (but not later than forty-five (45) days after such party receives notice of the commencement of any administrative or regulatory proceeding or the filing of any lawsuit relating to any such dispute or controversy) and thereupon any such dispute or controversy shall be resolved only in accordance with the provisions of this Section 12. Any such proceedings shall take place in Dublin, Ohio before a single arbitrator who shall have the right to award to any party to such proceedings any right or remedy that is available under applicable law (including, without limitation, ordering the losing party to reimburse the reasonable legal fees and expenses incurred by the winning party with respect to such proceedings). The resolution of any such dispute or controversy by the arbitrator appointed in accordance with the procedures of JAMS/ENDISPUTE shall be final and binding. Judgment upon the award rendered by such arbitrator may be entered in any court having jurisdiction thereof.

THIS SECTION 12 IS SPECIFICALLY ACKNOWLEDGED AND AGREED BY:

THE WENDY'S COMPANY

/s/ Emil J. Brolick /s/ Craig S. Bahner

Name: Emil J. Brolick Craig S. Bahner

Title: CEO and President

13. Legal Fees. Subject to Section 12 above, each party shall pay his or its own costs for any arbitration or litigation, as applicable, initiated in connection with any disputes arising in connection with your employment with Wendy's, with the cost of the arbitrator, if applicable, to be equally divided between the parties. Wendy's shall reimburse you for your reasonable attorney's fees incurred in connection with the negotiation and preparation of this letter agreement, up to a maximum of $10,000.

14. Survivability. The provisions of Sections 5 through 19, inclusive, shall specifically survive any termination of this letter agreement.

15. Notices. Any notice given pursuant to this letter agreement to any party hereto shall be deemed to have been duly given when mailed by registered or certified mail, return receipt requested, or by overnight courier, or when hand delivered as follows:

If to Wendy's:

The Wendy's Company

One Dave Thomas Blvd.

Dublin, Ohio 43017

Attn: General Counsel

If to you, at the address set forth on the first page of this letter agreement

or at such other address as either party shall from time to time designate by written notice, in the manner provided herein, to the other party hereto.

16. Tax Withholding. You agree that Wendy's may withhold from any amounts payable to you hereunder all federal, state, local or other taxes that Wendy's determines are required to be withheld pursuant to any applicable law or regulation. You further agree that if the Internal Revenue Service or other taxing authority (each, a "Taxing Authority") asserts a liability against Wendy's for failure to withhold taxes on any payment hereunder, you will pay to Wendy's the amount determined by such Taxing Authority (other than penalty or interest amounts unless such payment is made after thirty (30) days of the delivery of such notice to you, in which case you shall be responsible for such penalties and interest) that had not been withheld within thirty (30) days of notice to you of such determination. Such notice shall include a copy of any correspondence received from a Taxing Authority with respect to such withholding.

17. Expense Reimbursement. You will be entitled to reimbursement for all of your reasonable and necessary business expenses, including reasonable cell phone, travel, lodging and entertainment expenses, in accordance with Wendy's business expense reimbursement policy as in effect from time to time and upon submission of appropriate documentation and receipts.

18. Section 409A.

(a) This letter agreement is intended to satisfy the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A") with respect to amounts, if any, subject thereto and shall be interpreted and construed and shall be performed by the parties consistent with such intent. If either party notifies the other in writing that one or more or the provisions of this letter agreement contravenes any Treasury Regulations or guidance promulgated under Section 409A or causes any amounts to be subject to interest, additional tax or penalties under Section 409A, the parties shall promptly and reasonably consult with each other, in good faith to reform the provisions of this letter agreement, as appropriate, to (i) maintain to the maximum extent reasonably practicable the original intent of the applicable provisions without violating the provisions of Section 409A or increasing the costs to Wendy's or its affiliates of providing the applicable benefit or payment and (ii) to the extent possible, to avoid the imposition of any interest, additional tax or other penalties under Section 409A upon you or Wendy's. Notwithstanding the foregoing, you shall be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on you or for your account in connection with this letter agreement (including any taxes and penalties under Section 409A), and neither Wendy's nor any of its affiliates shall have any obligation to indemnify or otherwise hold you (or any beneficiary) harmless from any or all of such taxes or penalties

(b) To the extent you would otherwise be entitled to any payment or benefit under this letter agreement, or any plan or arrangement of Wendy's or its affiliates, that constitutes a "deferral of compensation" subject to Section 409A and that if paid or provided during the six (6) months beginning on the date of termination of your employment would be subject to the Section 409A additional tax because you are a "specified employee" (within the meaning of Section 409A and as determined by Wendy's), the payment or benefit will be paid or provided to you on the earlier of the first day following the six (6) month anniversary of your date of termination or your death.

(c) Any payment or benefit due upon a termination of your employment that represents a “deferral of compensation” within the meaning of Section 409A shall be paid or provided to you only upon a “separation from service” as defined in Treas. Reg. § 1.409A-1(h). Each payment made under this letter agreement shall be deemed to be a separate payment for purposes of Section 409A. Amounts payable under this letter agreement shall be deemed not to be a “deferral of compensation” subject to Section 409A to the extent provided in the exceptions in Treasury Regulation §§ 1.409A-1(b)(4) (“short-term deferrals”) and (b)(9) (“separation pay plans,” including the exception under subparagraph (iii)) and other applicable provisions of Treasury Regulation § 1.409A-1 through A-6.

(d) Notwithstanding anything to the contrary in this letter agreement or elsewhere, any payment or benefit under this letter agreement or otherwise that is exempt from Section 409A pursuant to Treasury Regulation § 1.409A-1(b)(9)(v)(A) or (C) (relating to certain reimbursements and in-kind benefits) shall be paid or provided to you only to the extent that the expenses are not incurred, or the benefits are not provided, beyond the last day of the second calendar year following the calendar year in which your “separation from service” occurs; and provided further that such expenses are reimbursed no later than the last day of the third calendar year following the calendar year in which your “separation from service” occurs. To the extent any expense reimbursement or the provision of any in-kind benefit is determined to be subject to Section 409A (and not exempt pursuant to the prior sentence or otherwise), the amount of any such expenses eligible for reimbursement, or the provision of any in-kind benefit, in one calendar year shall not affect the expenses eligible for reimbursement in any other calendar year (except for any life-time or other aggregate limitation applicable to medical expenses), and in no event shall any expenses be reimbursed after the last day of the calendar year following the calendar year in which you incurred such expenses, and in no event shall any right to reimbursement or the provision of any in-kind benefit be subject to liquidation or exchange for another benefit.

19. Representations. You hereby represent, warrant and covenant that as of the date hereof and as of the Effective Date: (i) you have the full right, authority and capacity to enter into this letter agreement and perform your obligations hereunder, (ii) you are not bound by any agreement that conflicts with or prevents or restricts the full performance of your duties and obligations to Wendy's hereunder during or after the Term and (iii) the execution and delivery of this letter agreement shall not result in any breach or violation of, or a default under, any existing obligation, commitment or agreement to which you are subject.

20. Other Activities. You shall not devote time to other activities which would inhibit or otherwise interfere with the proper performance of your duties hereunder. However, you may serve as a member of a board of directors of a for-profit company, other than Wendy's or any of its subsidiaries or affiliates, with the express written approval of the CEO (which approval shall not be unreasonably withheld); provided, further, however, that notwithstanding the forgoing, you shall not serve as a member of a board of directors of a for-profit company which is a competitor of Wendy's; provided, further, however, that it shall not be a violation of this letter agreement for you to manage personal business interests and investments and engage in charitable and civic activities, so long as such activities do not interfere with the performance of your duties under this letter agreement.

If you agree with the terms outlined above and in the Term Sheet, please date and sign the copy of this letter agreement enclosed for that purpose and return it to me.

Sincerely,

THE WENDY'S COMPANY

/s/ Emil J. Brolick
Name: Emil J. Brolick
Title: CEO and President

Agreed and Accepted as of the
27th day of March, 2012

/s/ Craig S. Bahner
Craig S. Bahner

Craig S. Bahner
Chief Marketing Officer of The Wendy's Company

Employment Term Sheet

PROVISION	TERM	COMMENTS
Base Salary	$425,000 /year	Subject to increase but not decrease, in the sole discretion of the Board.
Annual Incentive	Target annual bonus percentage equal to 75% of base salary	Company and individual performance assessed for each fiscal year relative to objectives agreed to in advance between executive and the Board's compensation committee. For 2012, your bonus will be calculated as if you had worked the entire year, pursuant to the same criteria as in effect for other similarly situated senior executives.
One-Time Signing Bonus	$150,000	Payable 30 days after employment has commenced and provided your employment continues.*
Initial Equity Award	200,000 non-qualified stock options	Grant date to be the Effective Date.
Subsequent Equity Awards		Commencing in 2012, during the Employment Term (as defined in the attached letter agreement) you are eligible to be granted awards under the Wendy's annual long-term award program in effect for other senior executives of Wendy's.
Benefits		Benefits as are generally made available to other senior executives of Wendy's, including participation in Wendy's health/medical and insurance programs and $1,400 per month car allowance programs.
Vacation	Four weeks per year	

*You hereby agree to promptly reimburse Wendy's 100% of the One-Time Signing Bonus in the event you resign your employment other than following a Triggering Event (as defined in the attached letter agreement) or you are terminated by Wendy's for Cause (as defined in the attached letter agreement) prior to the first anniversary following the Effective Date.

EXHIBIT 1

GENERAL RELEASE
AND COVENANT NOT TO SUE

TO ALL WHOM THESE PRESENTS SHALL COME OR MAY CONCERN, KNOW that:

Craig S. Bahner (the "Executive"), on his own behalf and on behalf of his descendants, dependents, heirs, executors and administrators and permitted assigns, past and present, in consideration for the amounts payable and benefits to be provided to the undersigned under that letter agreement dated as of March 27, 2012 (the "Employment Agreement") between the Executive and The Wendy's Company, a Delaware corporation (the "Company"), does hereby covenant not to sue or pursue any litigation (or file any charge or otherwise correspond with any Federal, state or local administrative agency), arbitration or other proceeding against, and waives, releases and discharges the Company and its respective assigns, affiliates, subsidiaries, parents, predecessors and successors, and the past and present shareholders, employees, officers, directors, representatives and agents or any of them (collectively, the "Company Group"), from any and all claims, demands, rights, judgments, defenses, actions, charges or causes of action whatsoever, of any and every kind and description, whether known or unknown, accrued or not accrued, that the Executive ever had, now has or shall or may have or assert as of the date of this General Release and Covenant Not to Sue against any member of the Company Group, including, without limiting the generality of the foregoing, any claims, demands, rights, judgments, defenses, actions, charges or causes of action related to employment or termination of employment or that arise out of or relate in any way to the Age Discrimination in Employment Act of 1967 ("ADEA," a law that prohibits discrimination on the basis of age), the National Labor Relations Act, the Civil Rights Act of 1991, the Americans With Disabilities Act of 1990, Title VII of the Civil Rights Act of 1964, the Employee Retirement Income Security Act of 1974, the Family and Medical Leave Act, the Sarbanes-Oxley Act of 2002, all as amended, and other Federal, state and local laws relating to discrimination on the basis of age, sex or other protected class, all claims under Federal, state or local laws for express or implied breach of contract, wrongful discharge, defamation, intentional infliction of emotional distress, and any related claims for attorneys' fees and costs; provided, however, that nothing herein shall release any member of the Company Group from any of its obligations to the Executive under the Employment Agreement, any rights the Executive may have to indemnification under any charter or by-laws or written indemnification agreement (or similar documents) of any member of the Company Group or to release any claims which may not be released as a matter of law. The Executive further agrees that this General Release and Covenant Not to Sue may be pleaded as a full defense to any action, suit, arbitration or other proceeding covered by the terms hereof which is or may be initiated, prosecuted or maintained by the Executive, his heirs or assigns. Notwithstanding the foregoing, the Executive understands and confirms that he is executing this General Release and Covenant Not to Sue voluntarily and knowingly. In addition, the Executive shall not be precluded by this General Release and Covenant Not to Sue from filing a charge with any relevant Federal, State or local administrative agency, but the Executive agrees not to participate in any such administrative proceeding (other than any proceeding brought by the Equal Employment Opportunity Commission), and agrees to waive the Executive's rights with respect to any monetary or other financial relief arising from any such administrative proceeding. For the avoidance of doubt, nothing in this General Release and Covenant Not to Sue shall prevent the Executive from challenging or seeking a determination in good faith of the validity of this waiver and release under the ADEA but no other portion of this General Release and Covenant Not to Sue.

In consideration for the amounts payable and benefits to be provided to the Executive under the Employment Agreement, the Executive agrees to provide reasonable cooperation, not otherwise interfering, in a significant way, with Executive's other business endeavors and at the expense of the Company Group, with the members of the Company Group in addition with all litigation relating to the activities of the Company and its affiliates during the period of the Executive's employment with the Company including, without limitation, being available to take depositions and to be a witness at trial, help in preparation of any legal documentation and providing affidavits and any advice or support that the Company or any affiliate thereof may request of the Executive in connection with such claims.

In furtherance of the agreements set forth above, the Executive hereby expressly waives and relinquishes any and all rights under any applicable statute, doctrine or principle of law restricting the right to release claims which the Executive does not know or suspect to exist at the time of executing a release, which claims, if known, may have materially affected the Executive's decision to give such a release. In connection with such waiver and relinquishment, the Executive acknowledges that he is aware that he may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those which he now knows or believes to be true, with respect to the matters released herein. Nevertheless, it is the intention of the Executive to fully, finally and forever release all such matters, and all claims relating thereto which now exist, may exist or theretofore have existed as of the date of this General Release and Covenant Not to Sue, as specifically provided herein. The Executive acknowledges and agrees that this waiver shall be an essential and material term of the release contained above. Nothing in this Section is intended to expand the scope of the release as specified herein.

This General Release and Covenant Not to Sue shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of laws thereof that would call for the application of the substantive law of any jurisdiction other than the State of Delaware.

The Executive acknowledges that he has been offered a period of time of at least twenty-one (21) days to consider whether to sign this General Release and Covenant Not to Sue, which he has waived, and the Company agrees that the Executive may cancel this General Release and Covenant Not to Sue at any time during the seven (7) days following the date on which this General Release and Covenant Not to Sue has been signed by all parties to this General Release and Covenant Not to Sue. In order to cancel or revoke this General Release and Covenant Not to Sue, the Executive must deliver to the Chief Executive Officer of the Company written notice stating that the Executive is canceling or revoking this General Release and Covenant Not to Sue. If this General Release and Covenant Not to Sue is timely cancelled or revoked, none of the provisions of this General Release and Covenant Not to Sue shall be effective or enforceable and the Company shall not be obligated to make the payments to the Executive or to provide the Executive with the other benefits described in the Employment Agreement and all contracts and provisions modified, relinquished or rescinded hereunder shall be reinstated to the extent in effect immediately prior hereto.

The Executive agrees that as part of the consideration for this General Release and Covenant Not to Sue, he will not make disparaging or derogatory remarks, whether oral or written, about the Company Group.

Each of the Executive and the Company acknowledges and agrees that it has entered into this General Release and Covenant Not to Sue knowingly and willingly and has had ample opportunity to consider the terms and provisions of this General Release and Covenant Not to Sue. The Executive further acknowledges that he has read the Employment Agreement and this General Release and Covenant Not to Sue carefully, has been advised by the Company in writing to, and has in fact consulted with an attorney, and fully understands that by signing below he is giving up certain rights which he may have to sue or assert a claim against any of the Company Group, as described above.

IN WITNESS WHEREOF, the parties hereto have caused this General Release and Covenant Not to Sue to be executed on this _______________ day of _______________, __.

____
Craig S. Bahner

THE WENDY'S COMPANY

By: ________________________________
Name:
Title:

EXHIBIT 10.2

March 23, 2012

Darrell van Ligten
[Address]

RE: Relocation to Ohio

Dear Darrell:

The Wendy's Company ("**Wendy's**" or the "**Company**") is moving many of the positions currently in the Atlanta Support Center to the Company headquarters in Dublin, Ohio. Consequently, your work situs is being relocated outside the Atlanta, Georgia greater metropolitan area, and as a result there exists a "triggering event," as defined in the January 28, 2009 letter agreement entered into by you and The Wendy's/Arby's Group, Inc. (the "Agreement"). In order to obtain your consent to the foregoing and to relieve the Company fully of all its payment obligation in connection with the relocation of your work situs to Dublin, Ohio constituting a triggering event under the Agreement, the Company is willing to provide you the following consideration, subject to your agreement to the terms and conditions described in this letter.

Provided you elect to move to Ohio and in fact relocate on or before June 1, 2012 ("the Move Date"), the Company shall pay you a lump sum payment of $850,000 on or before June 8, 2012, subject to applicable taxes. If you resign your employment within two years of receiving this cash award or if your employment is terminated with cause (as that term is defined in the January 28, 2009 letter agreement) by the Company within two years of your receiving the cash award, you would be required to pay back the amount of the award net of taxes on a prorated 24 month basis. The prorated repayment amount will be computed by multiplying $850,000 net of taxes by a fraction, the numerator of which is the number of whole fiscal months remaining between your termination date and the two year anniversary of your receipt of the cash award, and the denominator of which is 24. If the Company does not renew the Agreement or offer to continue your employment or you remain employed by the Company for two years after receiving the cash award, you would not have to pay back any of the cash award.

If the Company terminates your employment without cause (as that term is defined in the January, 28, 2009 letter agreement) within two years of your receiving your cash award, the Company agrees to provide you relocation, with benefits equal to the current Company policy, to Atlanta as well as any other benefits or payments you are entitled to under the January 28, 2009 letter agreement.

In exchange for the consideration described above, you consent to a relocation to Ohio and you will begin working full time in Ohio at the Company's request but no sooner than June 1, 2012. You also hereby agree that you will not assert that a triggering event has occurred under the January 28, 2009 letter agreement due to you being required to relocate to Ohio. In addition you agree that the letter agreement will be modified by removing the words "Atlanta, Georgia" from Section 2(d)(iv) and replacing them with the words "Dublin, Ohio or Columbus, Ohio." No other terms or conditions of the January 28, 2009 letter agreement will change and both parties hereby acknowledge that the January 28, 2009 letter agreement remains in full force and effect. None of the payments made under this retention agreement will be used to calculate or offset any of the payments due, or that otherwise may become due (e.g. will not be used to calculate any severance that may be due) under the January 28, 2009 letter agreement, nor will they be taken into account in determining the amount of any other Company provided benefit.

The payment of any amounts under this Agreement is conditioned upon and subject to your execution of a release which will become effective and non revocable prior to the Move Date.

The obligations of the parties hereunder shall be subject in all respects to the provisions of the attached Annex A, regarding matters subject to Section 409A.

This Agreement may only be modified, amended, suspended or terminated by a written instrument executed by both parties. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to the conflict of laws principles thereof. This Agreement shall not constitute a guarantee of continued employment.

Sincerely,

/s/ Clete McGinty

Clete McGinty
Chief People Officer

Acknowledged and agreed to:	Date:
/s/ Darrell van Ligten	4/27/2012
Darrell van Ligten	

Please maintain a copy for your records.

Annex A

1. Section 409A.

(a) The intent of the parties is that payments and benefits under the attached letter agreement (the "Agreement") comply with or be exempt from Section 409A and the regulations and guidance promulgated thereunder and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith For purposes of this Annex A references to the "Executive" shall refer to the individual who is party to the Agreement.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of the Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision of the Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service." If the Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered "deferred compensation" under Section 409A (whether under the Agreement, any other plan, program, payroll practice or any equity grant) and is due upon the Executive's separation from service, such payment or benefit shall not be made or provided until the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service" of the Executive, and (B) the date of the Executive's death (the "Delay Period") and the shall hereby be deemed amended accordingly. Upon the expiration of the Delay Period, all payments and benefits delayed (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Executive in a lump sum and any remaining payments and benefits due under the Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(c) All expenses or other reimbursements paid pursuant to the Agreement that are taxable income to the Executive shall in no event be paid later than the end of the calendar year next following the calendar year in which the Executive incurs such expense or pays such related tax. With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (ii) the amount of expenses eligible for reimbursement, of in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, *provided* that the foregoing clause (ii) shall not be violated without regard to expenses reimbursed under any arrangement covered by Internal Revenue Code Section 105(b) solely because such expenses are subject to a limit related to the period the arrangement is in effect and (iii) such payments shall be made on or before the last day of the Executive's taxable year following the taxable year in which the expense occurred

(d) For purposes of Section 409A, the Executive's right to receive any installment payments pursuant to the Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within thirty (30) days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

EXHIBIT 31.1

CERTIFICATIONS

I, Emil J. Brolick, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Wendy's Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2012

/s/ Emil J. Brolick
Emil J. Brolick
President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATIONS

I, Stephen E. Hare, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Wendy's Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2012

/s/ Stephen E. Hare
Stephen E. Hare
Senior Vice President and Chief Financial Officer

EXHIBIT 31.3

CERTIFICATIONS

I, Emil J. Brolick, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Wendy's Restaurants, LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2012

/s/ Emil J. Brolick
Emil J. Brolick
President and Chief Executive Officer

EXHIBIT 31.4

CERTIFICATIONS

I, Stephen E. Hare, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Wendy's Restaurants, LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2012

/s/ Stephen E. Hare
Stephen E. Hare
Senior Vice President and Chief Financial Officer

EXHIBIT 32.1

Certification Pursuant to
18 U.S.C. Section 1350
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of The Wendy's Company, a Delaware corporation (the "Company"), does hereby certify, to the best of such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended April 1, 2012 (the "Form 10-Q") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2012

/s/ Emil J. Brolick
Emil J. Brolick
President and Chief Executive Officer

Date: May 8, 2012

/s/ Stephen E. Hare
Stephen E. Hare
Senior Vice President and Chief Financial Officer