



Wendy's
THE WENDY'S COMPANY

**First Quarter 2013
Earnings Conference Call**

May 8, 2013

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Wendy's
THE WENDY'S COMPANY

JOHN BARKER

**Chief Communications
Officer**



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Today's Agenda

CEO Overview

Emil Brolick

Financial Update

Steve Hare

Q&A

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Forward-Looking Statements and Non-GAAP Financial Measures

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

Many important factors could affect our future results and could cause those results to differ materially from those expressed in or implied by our forward-looking statements. Such factors, all of which are difficult or impossible to predict accurately, and many of which are beyond our control, include but are not limited to those identified under the caption "Forward-Looking Statements" in our news release issued on May 8, 2013 and in the "Special Note Regarding Forward-Looking Statements and Projections" and "Risk Factors" sections of our most recent Form 10-K / Form 10-Qs.

In addition, this presentation and certain information management may discuss in connection with this presentation reference non-GAAP financial measures, such as adjusted earnings before interest, taxes, depreciation and amortization, or adjusted EBITDA, and adjusted earnings per share. Adjusted EBITDA and adjusted earnings per share exclude certain expenses, net of certain benefits. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures are provided in the Appendix to this presentation, and are included in our news release issued on May 8, 2013 and posted on www.aboutwendys.com.

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EMIL BROLICK

President & CEO



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Q1 2013 Highlights

	<u>2013</u>	vs.	<u>2012</u>
Adjusted EBITDA*	\$77.3 mil		\$63.9 mil
Adjusted EPS*	\$0.03		\$0.01
Company-Operated SSS	1.0%		0.8%

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

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2013 OUTLOOK:



Reaffirm

Raising

**Adjusted EBITDA
\$350 to \$360 million**

**Adjusted EPS
\$0.20 to \$0.22**

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**Expect 2012
Initiatives to
Contribute to
Solid 2013**

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Expect 2012 Initiatives to Contribute to Solid 2013

Right Price Right Size Menu Development



RIGHT PRICE RIGHT SIZE			
VALUE MENU			
JR. CHEESEBURGER DELUXE	\$1.19	JR. CHEESEBURGER	\$0.99
JR. BACON CHEESEBURGER	\$1.59	CRISPY CHICKEN SANDWICH	\$0.99
DOUBLE STACK™	\$1.79	4 PC. REGULAR OR SPICY CHICKEN NUGGETS	\$0.99
CRISPY CHICKEN CAESAR WRAP	\$1.29	VALUE NATURAL-CUT FRIES	\$0.99
4 PC. REGULAR OR SPICY CHICKEN NUGGETS	\$1.69	VALUE SOFT DRINK	\$0.99
CHICKEN GO WRAP (SPICY OR GRILLED)	\$1.59	SMALL FROSTY™	\$0.99
CAESAR OR GARDEN SIDE SALAD	\$1.59		
SMALL CHILI	\$1.49		



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Expect 2012 Initiatives to Contribute to Solid 2013

Image Activation Beginning to Support SSS and Accelerate Re-imaging



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**Expect 2012 Initiatives to
Contribute to Solid 2013**

Reduction in Number of Restaurants Serving Breakfast

Negative Impact on SSS
Positive Impact on EBITDA



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**Expect 2012 Initiatives to
Contribute to Solid 2013**

Ongoing Cost Reduction

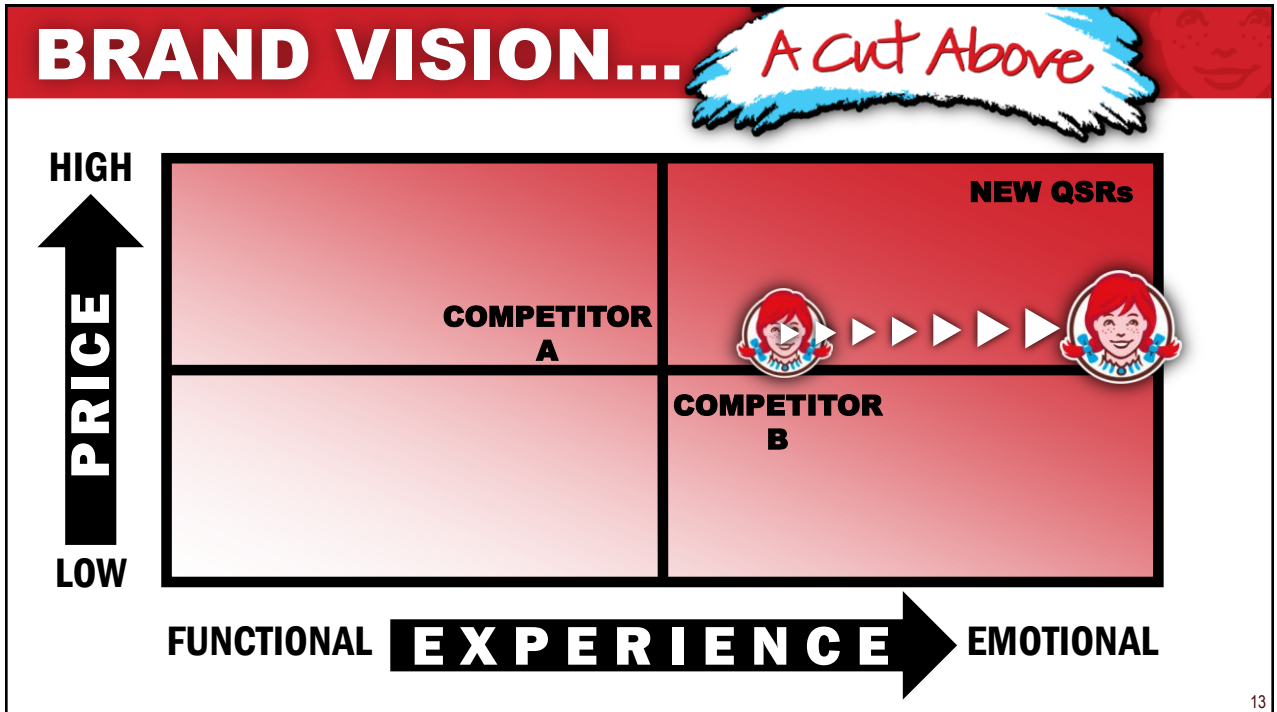
G&A Management & Efficiencies

Reduction in Beverage Costs

Packaging Optimization

RFPs with Purchasing Co-op

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Enabling Profitable Growth

THE RECIPE TO WIN



- PRICE** New QSR Quality at QSR Price
- PRODUCT** Play a different game ... Superior perceived quality, competitive price
- PEOPLE** 5-Star Performers
- PERFORMANCE** Keeping the brand promise
- PROMOTION** Strategically driven, tactically brilliant
- PLACE** The complete brand experience

PRICE

NEW QSR QUALITY AT QSR PRICE


it's time to
RETHINK what FAST FOOD
can be




NEW Flatbread GRILLED CHICKEN

Looks too good to miss from a fast-food restaurant? Here, we've taken Wendy's signature Flatbread and added fresh flavors like the tangy Bacon with Applewood Smoked Chicken or the Sticky Honey Mustard. Better food for everybody.

NOW THAT'S BETTER.



NEW FLATBREAD GRILLED CHICKEN

©2013 Wendy's. At participating Wendy's for a limited time.





Take a picture of this Flatbread and tweet @wendys using #twEATfor1k for a chance to win \$1,000

PRODUCT

PLAYING A DIFFERENT GAME






PROMOTION

BUILD BIG BRAND, DRIVE TRAFFIC

PREMIUM



PRICE / VALUE



PLACE

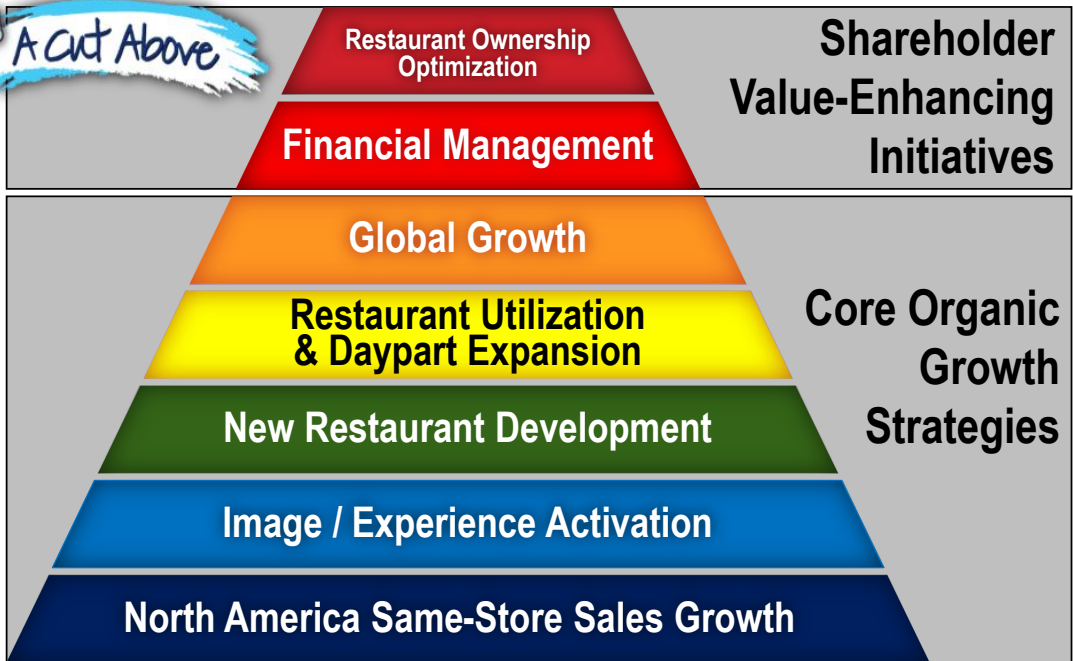
2013 Tier II
Columbus, OH



2013 Tier III
Salt Lake City



WENDY'S LONG-TERM STRATEGIC GROWTH DRIVERS





**Todd Penegor to Become
Chief Financial Officer
September 1, 2013**



**CFO Steve Hare to Retire
from Wendy's**

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Wendy's
THE WENDY'S COMPANY

STEVE HARE

Chief Financial Officer



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Wendy's Q1 2013 Highlights

February



January



March (local)



Q1 2013 North America Same-Store Sales

	1-Year	2-Year
Company-Operated	1.0%	1.8%
Franchise	0.6%	1.3%

Company Restaurant Margin +100bps

Q1 2013	12.8%
Q1 2012	11.8%

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Q1 2013 Financial Summary

(\$ in millions except per share amounts)
(Unaudited)

	Q1 2013	Q1 2012	\$ Change	% Change
Sales	\$530.7	\$519.9	\$ 10.8	2.1%
Franchise revenues	73.0	73.3	(0.3)	-0.4%
Total revenues	\$603.7	\$593.2	\$ 10.5	1.8%
Adjusted EBITDA*	\$ 77.3	\$ 63.9	\$ 13.4	21.0%
Adjusted EPS*	\$ 0.03	\$ 0.01	\$ 0.02	200.0%

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

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Adjusted Income and Special Items

(In Thousands Except Per Share Amounts)
(Unaudited)

	First Quarter			
	2013		2012	
	Per share		Per share	
Adjusted income and adjusted earnings per share*	\$ 13,101	\$ 0.03	\$ 3,347	\$ 0.01
(Less) plus:				
Depreciation of assets that will be replaced as part of the Image Activation initiative	(9,068)	(0.02)	-	-
Facilities relocation costs and other transactions	(1,900)	(0.00)	(3,808)	(0.01)
Impairment of long-lived assets	-	-	(2,783)	(0.01)
Gain on sale of investment, net	-	-	17,978	0.05
Total adjustments	(10,968)	(0.02)	11,387	0.03
Net income	2,133	0.01	14,734	0.04
Net income attributable to noncontrolling interests	-	-	(2,384)	(0.01)
Net income and earnings per share attributable to The Wendy's Company	\$ 2,133	\$ 0.01	\$ 12,350	\$ 0.03

*See reconciliation of Adjusted Income and Adjusted EPS in the appendix.

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2013 Image Activation Depreciation

- Assets replaced are depreciated from the beginning of the year until closure for construction

	Q1	Q2	Q3	Q4	2013
# of reopenings	3	24	44	29	100
# of restaurants depreciated	100	73	29	-	100
% of IA depreciation adjustment	~65%	~25%	~10%	0%	\$20M to \$25M

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Q1 2013 Cash Flow Highlights

<i>(\$ in millions)</i> <i>(unaudited)</i>	<u>Q1 2013</u>
Cash flow from operations	\$ 32.6
Capital expenditures	40.0
Beginning cash balance	\$ 453.4
Change in cash	<u>(24.7)</u>
Ending cash balance	<u>\$ 428.7</u>

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Selected Balance Sheet Highlights

<i>(\$ in millions)</i> <i>(unaudited)</i>	<u>March 31, 2013</u>
Cash	\$ 429
Senior Debt	\$ 1,419
Capital Leases and Other Debt	<u>37</u>
Total Debt	<u>\$ 1,456</u>
TTM Adjusted EBITDA*	\$ 347
Total Debt / TTM Adjusted EBITDA*	4.2x
Net Debt / TTM Adjusted EBITDA*	3.0x

*See reconciliation of Adjusted EBITDA in the appendix.

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2013 Debt Refinancing Expected to Save ~\$20 million in Annualized Interest Expense

- Refinancing of \$350M of the \$1,119M senior secured Term Loan B into a new senior secured Term Loan A
- Repricing of the remaining Term Loan B balance of approximately \$769M by reducing the interest rate margin and floor
- Extension of the maturity of the \$200M revolving credit facility by one year

\$50M Annualized Net Interest Expense Savings
vs. 2011 from 2012 and 2013 Refinancings

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Image Activation Results*

2011

10 concept reimages

Year 1 average sales
lift exceeded 25%

Sales sustaining at
~20% vs. pre-remodel
volumes

2012

48 Tier I reimages

Average sales lift
exceeding 25%
since re-opening

Sales sustaining at
~18% vs. pre-remodel
volumes

* Results exclude 2 non-comparable restaurants in 2011 and 5 non-comparable restaurants in 2012.

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Image Activation Designs Expanding



International Restaurants



**Franchise Restaurant
San Antonio, TX**



**NY
Openings**

714 Third Ave	June 2013	New Build
650 Broadway	June 2013	Reimage
85 Nassau St	July 2013	Reimage
Elmsford	August 2013	Reimage

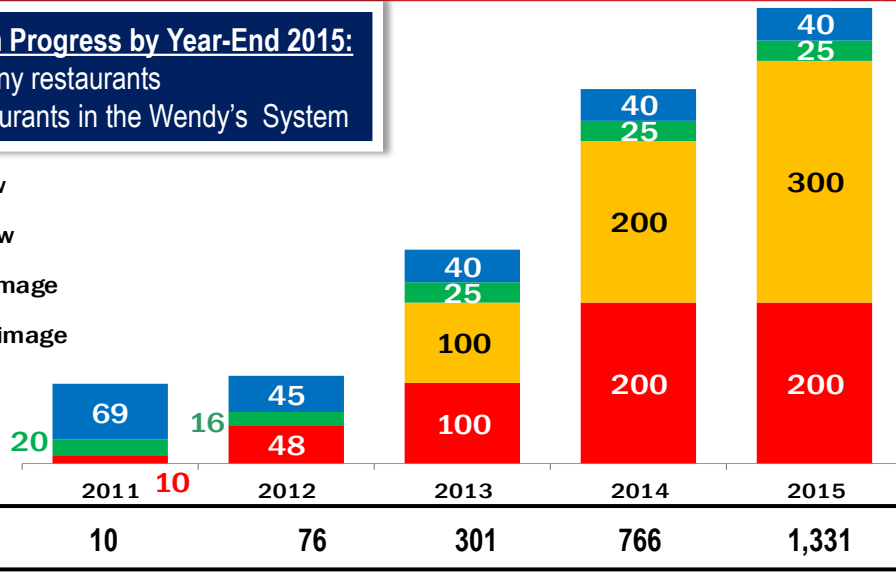
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Image Activation Multi-Year Growth Plan

Image Activation Progress by Year-End 2015:

- 50% of Company restaurants
- 1 out of 5 restaurants in the Wendy's System

- Fr. New
- Co. New
- Fr. Reimage
- Co. Reimage



Note: New Company restaurants were Image Activation building design beginning in 2012; 2 of 45 new Franchise restaurants were Image Activation in 2012. Estimates based on Company's current outlook.

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Strong Free Cash Flow & Balance Sheet

CORE GROWTH PRIORITY

Accelerating Investment in
Image Activation:
 Expect \$440 to \$500 million 2013 to 2015*

RETURN CAPITAL TO SHAREHOLDERS

Current dividend yield of 2.7%
 (based on share price as of 5/3/13)

\$100 million share repurchase program
 authorized through 12/29/13

* Estimates based on
 Company's current outlook.

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2013 and Long-Term Earnings Outlook

2013

Adjusted EBITDA:
 \$350 to \$360 million,
 5% to 8% increase vs. 2012

Adjusted EPS:
 \$0.20 to \$0.22,
 18% to 29% increase vs. 2012

Long-Term

Average annual
 Adjusted EBITDA and
 Adjusted EPS
 growth rates in
 high-single-digit to low-
 double-digit range

Estimates based on Company's current outlook.

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JOHN BARKER

Chief Communications
Officer



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Investor Relations Calendar

2013 Events

May 23: Annual Stockholder Meeting

June: Begin Image Activation Market Visits with Investors

Aug. 7: Second Quarter Earnings Release & Conference Call



Q&A

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Appendix

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Reconciliation of Adjusted EBITDA to Net Income Attributable to The Wendy's Company

<i>(In Thousands)</i> <i>(Unaudited)</i>	First Quarter	
	2013	2012
Adjusted EBITDA	\$ 77,299	\$ 63,881
Less:		
Depreciation and amortization	(51,797)	(32,311)
Impairment of long-lived assets	-	(4,511)
Facilities relocation costs and other transactions	(3,038)	(6,143)
Operating profit	22,464	20,916
Interest expense	(20,964)	(28,235)
Other expense, net and investment income, net	(2,271)	28,931
(Loss) income before income taxes and noncontrolling interests	(771)	21,612
Benefit from (provision for) income taxes	2,904	(6,878)
Net income	2,133	14,734
Net income attributable to noncontrolling interests	-	(2,384)
Net income attributable to The Wendy's Company	<u>\$ 2,133</u>	<u>\$ 12,350</u>

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Reconciliation of Adjusted Income and Adjusted Earnings Per Share to Net Income and Earnings Per Share Attributable to The Wendy's Company

<i>(In Thousands Except Per Share Amounts)</i> <i>(Unaudited)</i>	First Quarter			
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