



June 1, 2017

## **NPC International, Inc. Announces Acquisition of 140 Wendy's Units from The Wendy's Company**

OVERLAND PARK, Kan.--([BUSINESS WIRE](#))--NPC announced that it has acquired 140 Wendy's restaurants, previously operated by DavCo Restaurants, LLC, from a subsidiary of The Wendy's Company. As part of the transaction, NPC has agreed to remodel 90 acquired restaurants in the Image Activation format by the end of 2021 and build 15 new Wendy's restaurants by the end of 2022.

This acquisition was funded solely with cash proceeds from the company's recent refinancing. The restaurants are owned and operated by NPC's wholly-owned subsidiary, NPC Quality Burgers, Inc.

The acquired restaurants are primarily located in the Baltimore, MD, Virginia, and Washington, D.C. markets. According to information provided to NPC, the acquired units generated approximately \$215 million in net product sales during the 52 weeks ended February 2017.

Jim Schwartz, Chairman and CEO of NPC International, Inc., said, "We look forward to capitalizing upon the terrific opportunity in this market by delivering upon the Wendy's brand promise each and every day. In addition to delighting every customer through superior restaurant operations, we plan to make significant investments in the market through Image Activation and the implementation of a new Aloha point of sale system at every location. This acquisition will be our seventh acquisition in the Wendy's system since 2013 and will increase our holdings to 386 restaurants with revenues exceeding \$590 million, or approximately 40% of our total consolidated revenues, positioning NPC as the largest Wendy's franchisee."

Todd Penegor, President & CEO of The Wendy's Company, said, "As we continue to transform the system by facilitating restaurant sales to franchisees who have demonstrated operations excellence, brand and organizational leadership, and reinvestment in the business, we're excited about NPC's commitment to help Wendy's reach its full potential in these important growth markets."

**NPC International, Inc. is the world's largest Pizza Hut franchisee and currently operates 1,136 Pizza Hut restaurants and delivery units in 28 states and 386 Wendy's units in 7 states.**

### **Cautionary Statement Regarding Forward-Looking Statements**

Certain statements contained in this news release that do not relate to historical or current facts constitute forward-looking statements. These include statements regarding our plans and expectations. Forward-looking statements are subject to inherent risks and uncertainties and there can be no assurance that such statements will prove to be correct. Actual results may vary materially from those anticipated in such forward-looking statements as a result of a number of factors, including any delay in or failure to complete the planned acquisition; changes in credit market conditions, lower than anticipated consumer discretionary spending; deterioration in general economic conditions; competition in the quick service restaurant market; adverse changes in food, labor and other costs; price inflation or deflation; our ability to successfully complete acquisitions of additional restaurant units; and other factors. All forward-looking statements made in this news release are made as of the date hereof. NPC does not intend to update these forward-looking statements and undertakes no duty to any person to provide any such update under any circumstances. Investors are cautioned not to place undue reliance on any forward-looking statements.

### **Contacts**

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