



Jack in the Box Inc.

Unaudited quarterly pro forma financial information for the trailing four quarters
As of the quarter ended April 17, 2022

Introduction

On December 5, 2021, Jack in the Box Inc. (the “Company” or “Jack in the Box”), entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Del Taco Restaurants, Inc., a publicly traded Delaware corporation (“Del Taco”). On March 8, 2022 (the “Closing” or the “Closing Date”), Jack in the Box purchased all of the outstanding equity interest in Del Taco through the merger of a wholly owned subsidiary of the Company (“Merger Sub”) with and into Del Taco (the “Merger”), with Del Taco surviving the Merger as a wholly owned subsidiary of Jack in the Box.

On May 24, 2022, the Company filed a Current Report on Form 8-K/A to illustrate the estimated effects of the Merger. The Form 8-K/A included unaudited pro forma condensed combined balance sheet as of January 23, 2022, unaudited pro forma condensed combined statement of earnings (loss) for the sixteen weeks ended January 23, 2022, and unaudited pro forma condensed combined statement of earnings (loss) for the year ended October 3, 2021.

In this presentation, the Company is providing unaudited pro forma consolidated financial information to assist investors in assessing the Company’s historical performance as though Del Taco and the Company had been combined as of the beginning of fiscal year 2021. The following unaudited pro forma condensed financial information has been prepared in accordance with Accounting Standards Codification (“ASC”) 805, *Business Combinations*, and presents the combined results as though Del Taco and the Company had been combined as of the beginning of fiscal year 2021. The unaudited pro forma financial information as presented below is for informational purposes only and is not necessarily indicative of the results of operations that would have been achieved if the acquisition had taken place at the beginning of fiscal 2021, nor is it necessarily an indication of trends in future results for a number of reasons, including, but not limited to, differences between the assumptions used to prepare the pro forma information, cost savings from operating efficiencies, potential synergies, and the impact of incremental costs incurred in integrating the businesses.

The unaudited pro forma financial information for all periods presented includes the business combination accounting effects resulting from this acquisition, mainly including adjustments to reflect additional amortization expense from acquired intangibles, incremental depreciation expense from the fair value property and equipment, adjusted rent expense reflecting the acquired right-of-use assets and liabilities to their estimated acquisition-date values based upon preliminary valuation of related lease intangibles and remaining payments, as well as the fair value adjustments made to leasehold improvements, and certain material non-recurring adjustments as though Del Taco was combined as of the beginning of fiscal 2021.

Jack in the Box has a fiscal year consisting of 52 or 53 weeks, ending on the Sunday closest to September 30. By contrast, the fiscal year for Del Taco historically ended on the Tuesday closest to December 31. Upon acquisition, Del Taco’s fiscal year end now operates on a fiscal year ending the Tuesday closest to September 30. As such, Del Taco’s historical results in the unaudited pro forma combined financial information were derived from the unaudited financial information which conform to its new fiscal year end. The fiscal quarter ending October 3, 2021 includes 13 weeks for Jack in the Box and 12 weeks for Del Taco’s comparable fiscal quarter.

UNAUDITED PRO FORMA EARNINGS FROM OPERATIONS
(In thousands)

	Twelve weeks ended July 4, 2021			Thirteen weeks ended October 3, 2021			Sixteen weeks ended January 23, 2022			Twelve weeks ended April 17, 2022		
	Jack in the Box	Del Taco	Pro Forma Combined	Jack in the Box	Del Taco	Pro Forma Combined	Jack in the Box	Del Taco	Pro Forma Combined	Jack in the Box	Del Taco	Pro Forma Combined
Revenues:												
Company restaurant sales	\$ 91,892	\$ 112,196	\$ 204,088	\$ 95,634	\$ 111,990	\$ 207,624	\$ 120,056	\$ 143,418	\$ 263,474	\$ 94,250	\$ 111,142	\$ 205,392
Franchise rental revenues	80,598	1,744	82,342	84,386	1,765	86,151	103,099	2,390	105,489	75,692	1,749	77,441
Franchise royalties and other	48,582	5,246	53,828	49,264	5,145	54,409	60,755	6,647	67,402	44,429	5,220	49,649
Franchise contributions for advertising and other services	48,386	4,872	53,258	49,170	5,008	54,178	60,801	5,870	66,671	44,965	4,603	49,568
	269,458	124,058	393,516	278,454	123,908	402,362	344,711	158,325	503,036	259,336	122,714	382,050
Operating costs and expenses, net:												
Food and packaging	27,061	28,797	55,858	29,630	29,550	59,180	37,537	38,491	76,028	30,687	31,110	61,797
Payroll and employee benefits	27,356	37,349	64,705	30,306	37,791	68,097	39,725	50,436	90,161	32,006	37,532	69,538
Occupancy and other	14,103	22,267	36,370	16,456	24,038	40,494	20,877	29,750	50,627	17,383	23,783	41,166
Franchise occupancy expenses	48,824	1,511	50,335	52,016	1,542	53,558	63,983	2,067	66,050	48,403	1,534	49,937
Franchise support and other costs	2,722	347	3,069	3,716	340	4,056	3,911	432	4,343	4,830	509	5,339
Franchise advertising and other services expenses	49,168	4,745	53,913	51,361	5,005	56,366	63,308	5,894	69,202	46,848	4,714	51,562
Selling, general and administrative expenses	21,796	16,296	38,092	21,578	15,687	37,265	25,339	22,610	47,949	21,901	14,092	35,993
Depreciation and amortization	10,389	4,131	14,520	10,844	4,131	14,975	12,496	5,508	18,004	9,340	4,131	13,471
Other operating expenses (income), net	922	361	1,283	(5,080)	646	(4,434)	2,560	12,612	15,172	4,198	559	4,757
Gains on the sale of company- operated restaurants	(264)	—	(264)	(1,124)	—	(1,124)	(48)	—	(48)	(810)	—	(810)
	202,077	115,804	317,881	209,703	118,730	328,433	269,688	167,800	437,488	214,786	117,964	332,750
Earnings from operations	\$ 67,381	\$ 8,254	\$ 75,635	\$ 68,751	\$ 5,178	\$ 73,929	\$ 75,023	\$ (9,475)	\$ 65,548	\$ 44,550	\$ 4,750	\$ 49,300

UNAUDITED PRO FORMA SUPPLEMENTARY FINANCIAL INFORMATION
(In thousands)

The following table summarizes restaurant sales for company-operated, franchised, and systemwide sales (*in thousands*):

	Twelve weeks ended July 4, 2021			Thirteen weeks ended October 3, 2021			Sixteen weeks ended January 23, 2022			Twelve weeks ended April 17, 2022		
	Jack in the Box	Del Taco	Pro Forma Combined	Jack in the Box	Del Taco	Pro Forma Combined	Jack in the Box	Del Taco	Pro Forma Combined	Jack in the Box	Del Taco	Pro Forma Combined
Company-operated restaurant sales	\$ 91,892	\$ 112,196	\$ 204,088	\$ 95,634	\$ 111,990	\$ 207,624	\$ 120,056	\$ 143,418	\$ 263,474	\$ 94,250	\$ 111,142	\$ 205,392
Franchised restaurant sales (1)	889,558	107,741	997,299	914,827	107,699	1,022,526	1,117,676	138,503	1,256,179	840,468	107,966	948,434
Systemwide sales (1)	\$ 981,450	\$ 219,937	\$1,201,387	\$1,010,461	\$ 219,689	\$1,230,150	\$1,237,732	\$ 281,921	\$1,519,653	\$ 934,718	\$ 219,108	\$1,153,826

- (1) Franchised restaurant sales represent sales at franchised restaurants and are revenues of our franchisees. System sales include company and franchised restaurant sales. We do not record franchised sales as revenues; however, our royalty revenues, marketing fees and percentage rent revenues are calculated based on a percentage of franchised sales. We believe franchised and system restaurant sales information is useful to investors as they have a direct effect on the Company's profitability.

The following table summarizes changes in same-store sales for company-operated, franchised, and system restaurants:

	Twelve weeks ended July 4, 2021		Thirteen weeks ended October 3, 2021		Sixteen weeks ended January 23, 2022		Twelve weeks ended April 17, 2022	
	Jack in the Box	Del Taco	Jack in the Box	Del Taco	Jack in the Box	Del Taco	Jack in the Box	Del Taco
Company	9.0 %	8.2 %	(4.4)%	0.7 %	(0.3)%	3.4 %	1.7 %	1.6 %
Franchise	10.3 %	5.9 %	0.6 %	1.8 %	1.4 %	5.4 %	(1.1)%	3.4 %
System	10.2 %	7.1 %	0.1 %	1.2 %	1.2 %	4.4 %	(0.8)%	2.5 %