



NEWS RELEASE

## Del Taco Restaurants, Inc. Announces Refinancing of Senior Credit Facility

8/5/2015

Estimated Interest Expense Savings to Exceed \$5 Million Annually

LAKE FOREST, Calif.--(BUSINESS WIRE)-- Del Taco Restaurants, Inc. ("Del Taco" and the "Company") (NASDAQ: TACO, TACOW), the second largest Mexican-American QSR chain by units in the United States, operating restaurants under the name Del Taco, today announced the closing of a new five-year \$250 million senior credit facility. The new revolving credit facility bears an initial interest rate of LIBOR plus 200 basis points. The Company utilized \$164 million of proceeds from the new facility to refinance in whole its existing senior secured debt and pay costs associated with the refinancing.

The refinancing represents a 305 basis point reduction in the Company's borrowing costs based on current market conditions, and is expected to reduce annual interest expense by approximately \$5.4 million per year.

Steven L. Brake, Chief Financial Officer of Del Taco, commented, "Del Taco's strong performance, including twelve consecutive quarters of positive same store sales at company-owned restaurants and growth in restaurant contribution margins, along with significant debt reduction since the completion of our business combination with Levy Acquisition Corp. has enabled us to refinance our outstanding indebtedness at a substantially lower interest rate. This refinancing materially reduces our annual interest expense, enhancing our net income and free cash flow, and allowing us even greater flexibility to execute our new store development strategy."

Paul Murphy, Chief Executive Officer of Del Taco, remarked, "We are thrilled that our great performance and exciting brand resonated so well with lenders and allowed us to quickly complete a refinancing. We were confident

that as a public company we could improve our cost of borrowing, and the terms of today's refinancing measure up to our best case scenario. Our strong second quarter results, including 7.0% revenue growth, 12.2% growth in adjusted EBITDA, 30.2% growth in operating income, and improved restaurant contribution certainly helped achieve this outcome."

Bank of America Merrill Lynch and J.P. Morgan Securities LLC are the joint lead arrangers of the new senior credit facility.

## About Del Taco Restaurants, Inc.

At Del Taco (NASDAQ: TACO) all menu items taste better because they are made to order with fresh ingredients including cheddar cheese grated from 40-pound blocks, handmade pico de gallo salsa, lard-free beans slow-cooked from scratch, fresh sliced avocado and marinated chicken grilled in the restaurant. The menu, which includes a full line of breakfast, includes classic Mexican dishes such as tacos, burritos, quesadillas and nachos as well as American favorites including hamburgers, crinkle-cut fries and shakes. Del Taco's UnFreshing Believable campaign communicates the lengths the company goes to in order to deliver quality, made-to-order menu items created with freshly-prepared ingredients at unbelievable prices. With nearly 550 restaurants in 16 states, Del Taco serves more than three million guests each week. In June 2015, Del Taco changed its name to Del Taco Restaurants, Inc. following the completion of its transition to a public company.

For more information, please visit [www.deltaco.com](http://www.deltaco.com).

## Forward-Looking Statements

In addition to historical information, this release may contain a number of "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, information concerning Del Taco's possible or assumed future results of operations, business strategies, competitive position, industry environment, potential growth opportunities and the effects of regulation. These statements are based Del Taco's management's current expectations and beliefs, as well as a number of assumptions concerning future events. When used in this press release, the words "estimates," "projected," "expects," "anticipates," "forecasts," "plans," "intends," "believes," "seeks," "may," "will," "should," "future," "propose" and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. Such forward-looking statements are subject to known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside Del Taco's management's control that could cause actual results to differ materially from the results discussed in the forward-looking statements. These risks included, without limitation, consumer demand, our inability to successfully open company-operated or franchised restaurants or establish new markets, competition in our markets, our inability to

grow and manage growth profitably, adverse changes in food and supply costs, our inability to access additional capital, changes in applicable laws or regulations, food safety and foodborne illness concerns, our inability to manage existing and to obtain additional franchisees, our inability to attract and retain qualified personnel, our inability to profitably expand into new markets, and the possibility that we may be adversely affected by other economic, business, and/or competitive factors. Additional risks and uncertainties are identified and discussed in Del Taco's reports filed with the SEC and available at the SEC's website at [www.sec.gov](http://www.sec.gov) and the Company's website at [www.deltaco.com](http://www.deltaco.com).

Forward-looking statements included in this release speak only as of the date of this release. Del Taco undertakes no obligation to update its forward-looking statements to reflect events or circumstances after the date of this release or otherwise.

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