



NEWS RELEASE

Del Taco Restaurants, Inc. Completes Refranchising of San Diego, California Market

12/16/2019

LAKE FOREST, Calif.--(BUSINESS WIRE)-- Del Taco Restaurants, Inc. ("Del Taco" or the "Company"), (NASDAQ: TACO), the second largest Mexican-American quick service restaurant chain by units in the United States, today announced the refranchising of all ten company-operated restaurants in the San Diego, CA market to incoming franchisee SoCal Food Group which is led by Omar Boukai, and supported by the Boukai family who has extensive food service and real estate experience. Related to this refranchising agreement, SoCal Food Group has also committed to develop up to 21 additional Del Taco restaurants over the next seven years, primarily in the San Diego market.

John D. Cappasola, Jr., President and Chief Executive Officer of Del Taco, commented, "The SoCal Food Group has extensive experience in the quick-service restaurant industry and currently operates 50 restaurants across two other QSR concepts. We welcome them to the Del Taco system and are confident that they will be great partners in operating these ten San Diego restaurants and developing up to 21 additional restaurants over the next seven years."

As a reminder, Del Taco has been executing a portfolio optimization strategy to help stimulate new franchise restaurant growth and to drive operational and financial benefits. The Company has now completed the refranchising of its San Diego, CA and Reno, NV markets during its fiscal fourth quarter, which followed the refranchising of 13 restaurants in the Los Angeles market during its fiscal first quarter earlier this year. The Cypress Group is acting as exclusive sell-side advisor to Del Taco in connection with the San Diego, CA and other active market refranchising efforts.

About Del Taco Restaurants, Inc.

Del Taco (NASDAQ: TACO) offers a unique variety of both Mexican and American favorites such as burritos and fries, prepared fresh in every restaurant's working kitchen with the value and convenience of a drive-thru. Del Taco's menu items taste better because they are made with quality ingredients like fresh grilled chicken and carne asada steak, hand-sliced avocado, hand-grated cheddar cheese, slow-cooked beans made from scratch, and creamy Queso Blanco. The brand's campaign, Celebrating the Hardest Working Hands in Fast Food, further communicates Del Taco's commitment to restaurant-level team members that provide guests with the best quality and value for their money through cooking, chopping, shredding and grilling menu items from scratch. Founded in 1964, today Del Taco serves more than three million guests each week at its more than 580 restaurants across 15 states. For more information, visit 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 on 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," "target," "may," "will," "should," "future," "propose," "preliminary," "guidance," "on track" 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 include, 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 (including minimum wage regulations), food safety and foodborne illness concerns, our inability to manage existing and to obtain additional franchisees, our inability to successfully execute our portfolio optimization strategy, our inability to attract and retain qualified personnel, our inability to profitably expand into new markets, changes in, or the discontinuation of, the Company's repurchase program, 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, including under Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended January 1, 2019, and available at the SEC's website at www.sec.gov and the Company's website at 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.

View source version on **businesswire.com**: <https://www.businesswire.com/news/home/20191216005715/en/>

Investor Relations Contact:

Raphael Gross

(203) 682-8253

investor@deltaco.com

Source: Del Taco Restaurants, Inc.