



NEWS RELEASE

## Del Taco Restaurants, Inc. Retains The Cypress Group to Lead Refranchising of Four Non-Core Western Markets

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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, recently commenced the marketing of certain company-operated restaurants across four non-core Western markets. The refranchising of these restaurants is expected to be completed by the summer of 2020 and is planned to help shift company ownership to approximately 45% of the Del Taco system while stimulating growth in new restaurants and existing restaurant AUVs.

Del Taco first announced its Restaurant Portfolio Optimization plan in January 2019 and subsequently retained The Cypress Group, a leading restaurant and franchise investment banking firm, ("Cypress") to manage this refranchising initiative. Cypress has more than 25 years of multi-unit and franchise M&A experience in the restaurant industry, including significant engagements related to corporate refranchising processes.

The marketing process is targeting new or existing franchise groups with proven restaurant operations capabilities and a strong, consistent track record of new unit development who commit to continued brand growth in existing and/or other markets. Interest parties should contact The Cypress Group at [DelTacoRefran@cypressgroup.biz](mailto:DelTacoRefran@cypressgroup.biz).

John D. Cappasola, Jr., President and Chief Executive Officer of Del Taco, commented, "We are excited to be launching these opportunities to the franchise M&A marketplace through our partnership with The Cypress Group. The Del Taco brand has proven portability across a broad geographic footprint and we believe refranchising our non-core Western markets provides potential franchise partners with an attractive entry point to our system from

which they can drive further system-wide growth through new development.”

## 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. Del Taco's new advertising campaign, "Celebrating the Hardest Working Hands in Fast Food," further communicates the company's commitment to providing guests with fresh, quality food prepared by hand every day. Founded in 1964, today Del Taco serves more than three million guests each week at its 580 restaurants across 14 states. For more information, visit [www.deltaco.com](http://www.deltaco.com).

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