

- Lower costs for fresh ground beef, which averaged \$1.38 per pound during the first quarter of 2006, versus \$1.42 per pound a year ago. This benefited pretax income by approximately \$700,000 compared to 2005. The Company expects to pay \$1.425 per pound in the second quarter of 2006, versus \$1.52 per pound a year ago.
- General and administrative (G&A) expenses were \$82.5 million, or 8.9% of revenue, compared to \$75.8 million, or 8.5% of revenue, in the first quarter of 2005. G&A includes the impact of higher consulting fees and certain IPO costs, partially offset by a reduction in the accrual for performance-based incentive compensation.
- Other income was \$8.6 million, an increase of \$4.6 million compared to \$4.0 million in the first quarter of 2005, primarily reflecting net gains on Wendy's properties sold during 2006.

Company provides update of Wendy's Combo Plan to increase sales, reduce costs and improve store-level margins

"We are optimistic about initiatives we have in place to increase sales during the second quarter," said Kerrii Anderson, interim Chief Executive Officer and President. "We are also making significant progress on other aspects of Wendy's Combo Plan, including new product introductions and cost reductions throughout the organization."

Wendy's promoted its Spicy Chicken sandwich and launched three new Garden Sensations® salads in March. This month, Wendy's introduced its Frescata™ line of deli sandwiches with national advertising. The Frescata line includes Black Forest Ham & Swiss Cheese, Roasted Turkey with Basil Pesto, Roasted Turkey & Swiss Cheese and the Frescata Club. Each is made with premium meats and freshly baked artisan bread.

"Frescata is our most exciting product launch in many years, and we are already seeing a favorable response from consumers," Anderson said. "The high-quality ingredients and proprietary, par-baked bread distinguish the Frescata sandwich line from competitive offerings."

During the second quarter, the Company plans to re-energize its Late Night business with national media support, launch its new 3-Tier Combo program and promote its Wendy's Kids' Meal® Choices program, featuring two nutritious new Kids' Meal sandwiches, Turkey & Cheese and Ham & Cheese.

The Company this week announced it has named Dave Near to the newly created position of Chief Operations Officer of the Wendy's brand. Near will be responsible for Wendy's U.S., Canadian and International restaurant operations – both franchised and company. Near has been a Wendy's franchisee since 1995, operating 29 stores in the Austin, Texas market with average unit volumes of nearly \$1.5 million, which is higher than the system average of \$1.3 million. He will report to Anderson. Near begins his new position on May 1 and will work out of the Company's Dublin, Ohio headquarters.

Company announces progress on "Next Chapter" initiatives, now targeting \$100 million in overhead cost reduction while strengthening service to restaurants and franchisees

The Company announced on February 6 its "Next Chapter" initiative to improve processes throughout the organization, generate new efficiencies and identify cost reductions. The goal is to significantly improve the operational and financial performance of the Wendy's brand.

"Our mission is to serve our customers fresh, delicious food made with the highest quality ingredients – quickly, accurately and with a smile," said Wendy's Chairman Jim Pickett. "At the same time, we will focus even greater attention on improving restaurant operations and increasing store-level profitability for franchisees and the Company."

Following extensive analysis and validation, the Company has increased its target for overhead cost reduction to approximately \$100 million, up from the previously announced range of \$40 million to \$60 million. The Company plans to begin

implementing elements of the cost reduction program in the second half of 2006 and achieve the \$100 million run rate benefit beginning in 2007.

The Company is focusing on significantly improving restaurant operations by better utilizing resources to enhance its service to franchisees and customers while reducing costs. The cost reductions will primarily come from corporate and field overhead.

Company completes Tim Hortons IPO

The Company successfully completed the initial public offering of 17.25% of Tim Hortons Inc., with trading commencing on the Toronto Stock Exchange and New York Stock Exchange on March 24. The Company maintains an 82.75% ownership in Tim Hortons and has announced that it intends to spin off the remaining ownership position by December 31, 2006.

Board approves 113th consecutive dividend

The Board of Directors approved a quarterly dividend of \$0.17 per share, payable on May 22 to shareholders of record as of May 8. The dividend will be the Company's 113th consecutive dividend.

First Quarter conference call and webcast scheduled for today, April 27

Company management will host a conference call, along with executive management of Tim Hortons, at 2:00 p.m. (Eastern) today, April 27 to discuss first quarter results. Investors and the public may participate in the conference call in either one of the following ways:

- Phone Call: The dial-in number is 877-572-6014 (U.S. and Canada) or 706-679-4852 (International). No need to register in advance.
- Simultaneous Web Cast: Available at www.wendys-invest.com. The call will also be archived at that site.

First-Quarter Same-Store Sales Summary*

	1Q 2006	1Q 2005
Wendy's U.S. Company	-4.8%	-2.2%
Wendy's U.S. Franchise	-5.2%	-1.0%
Tim Hortons Canada	8.7%	5.8%
Tim Hortons U.S.	9.8%	7.7%
Baja Fresh System	-3.7%	-6.1%

* Easter was in March a year ago, but was in April this year.

First-Quarter New Restaurant Openings

	1Q 2006	1Q 2005
Wendy's	29	45
Tim Hortons	27	23
Baja Fresh	1	9
TOTAL	57	77

Safe Harbor statement

Certain information in this news release, particularly information regarding future economic performance and finances, and plans, expectations and objectives of management, is forward looking. Factors set forth in our Safe Harbor under the Private

Securities Litigation Reform Act of 1995, in addition to other possible factors not listed, could affect the Company's actual results and cause such results to differ materially from those expressed in forward-looking statements. Please review the Company's Safe Harbor statement at <http://www.wendys-invest.com/safeharbor>.

Wendy's International, Inc. overview

Wendy's International, Inc. is one of the world's largest restaurant operating and franchising companies with more than 9,900 total restaurants and five quality brands, including Wendy's Old Fashioned Hamburgers®, Tim Hortons, Baja Fresh Mexican Grill, Cafe Express™ and Pasta Pomodoro®. More information about the Company is available at www.wendys-invest.com.

CONTACTS:

John Barker: (614) 764-3044 or john_barker@wendys.com

David Poplar (614) 764-3547 or david_poplar@wendys.com

WENDY'S INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except per share data)

(Unaudited)

	First Quarter Ended		<u>\$ Change</u>	<u>% Change</u>
	<u>4/2/2006</u>	<u>4/3/2005</u>		
REVENUES				
Retail sales	\$753,747	\$724,547	\$29,200	4.0%
Franchise revenues	177,773	169,626	8,147	4.8%
TOTAL REVENUES	<u>931,520</u>	<u>894,173</u>	<u>37,347</u>	<u>4.2%</u>
COSTS & EXPENSES				
Cost of sales	505,808	477,915	27,893	5.8%
Company restaurant operating costs	175,713	169,670	6,043	3.6%
Operating costs	60,351	36,182	24,169	66.8%
Depreciation of property & equipment	48,932	48,718	214	0.4%
General & administrative expenses	82,484	75,844	6,640	8.8%
Other income	(8,580)	(3,968)	(4,612)	-116.2%
TOTAL COSTS & EXPENSES	<u>864,708</u>	<u>804,361</u>	<u>60,347</u>	<u>7.5%</u>
OPERATING INCOME	66,812	89,812	(23,000)	-25.6%
Interest expense	(12,599)	(11,534)	(1,065)	-9.2%
Interest income	4,138	1,189	2,949	248.0%
PRETAX INCOME	58,351	79,467	(21,116)	-26.6%
INCOME TAXES	6,654	28,211	21,557	n/m
THI minority interest	465	0	(465)	n/m
NET INCOME	<u>\$51,232</u>	<u>\$51,256</u>	<u>(\$24)</u>	<u>0.0%</u>
Diluted earnings per common share	<u>\$0.44</u>	<u>\$0.45</u>	<u>(\$0.01)</u>	<u>-2.2%</u>
Diluted shares	<u>116,397</u>	<u>114,596</u>	<u>1,801</u>	<u>1.6%</u>

n/m - Not meaningful

WENDY'S INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	April 2, 2006	January 1, 2006
(Unaudited)		
(Dollars in thousands)		
ASSETS		
Current assets		
Cash and cash equivalents	\$1,307,426	\$393,241
Accounts receivable, net	142,204	138,999
Notes receivable, net	12,282	11,746
Deferred income taxes	29,903	29,043
Inventories and other	72,292	62,868
Advertising fund restricted assets	74,022	53,866
Assets held for disposition	13,552	66,803
	<u>1,651,681</u>	<u>756,566</u>
Property and equipment	3,491,647	3,421,354
Accumulated depreciation	(1,137,891)	(1,095,466)
	<u>2,353,756</u>	<u>2,325,888</u>
Notes receivable, net	17,147	14,796
Goodwill	128,667	128,808
Deferred income taxes	6,738	6,623
Intangible assets, net	41,123	41,757
Other assets	162,220	165,880
	<u>\$4,361,332</u>	<u>\$3,440,318</u>

WENDY'S INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

April 2, January 1,
2006 2006

(Unaudited)

(Dollars in thousands)

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities

Accounts payable	\$147,842	\$188,481
Accrued expenses:		
Salaries and wages	36,208	51,184
Taxes	59,579	116,920
Insurance	59,502	58,147
Other	89,486	90,263
Advertising fund restricted liabilities	86,903	68,929
Current portion of long-term obligations	9,388	9,428
	488,908	583,352

Long-term obligations

Term debt	990,817	559,097
Capital leases	57,435	56,736
	1,048,252	615,833

Deferred income taxes

69,803 78,206

Other long-term liabilities

105,023 104,338

Commitments and contingencies

Minority interest in THI

170,026 0

Shareholders' equity

Preferred stock, Authorized: 250,000 shares		
Common stock, \$.10 stated value per share, Authorized: 200,000,000 shares, Issued: 126,984,000 and 125,490,000 shares, respectively	12,698	12,549
Capital in excess of stated value	977,197	367,810
Retained earnings	1,889,332	1,858,743
Accumulated other comprehensive income (expense):		
Cumulative translation adjustments and other	115,921	115,252
Pension liability	(1,096)	(1,096)
	2,994,052	2,353,258
Treasury stock, at cost:		
11,431,000 and 7,681,000 shares, respectively	(514,732)	(294,669)
	2,479,320	2,058,589
	\$4,361,332	\$3,440,318

WENDY'S INTERNATIONAL, INC. AND SUBSIDIARIES
REVENUES BY SEGMENT

<i>(in thousands):</i>	First Quarter Ended				Increase (Decrease) From Prior Year	
	April 2, 2006	% of Total	April 3, 2005	% of Total	Dollars	Percentage
Retail Sales						
Wendy's	\$499,231	66.2%	\$514,034	70.9%	(\$14,803)	-2.9%
Tim Hortons	208,200	27.6%	162,144	22.4%	46,056	28.4%
Developing Brands*	46,316	6.2%	48,369	6.7%	(2,053)	-4.2%
	\$753,747	100.0%	\$724,547	100.0%	\$29,200	4.0%
Franchise Revenues						
Wendy's	\$65,242	36.7%	\$74,833	44.1%	(\$9,591)	-12.8%
Tim Hortons	110,823	62.3%	92,745	54.7%	18,078	19.5%
Developing Brands*	1,708	1.0%	2,048	1.2%	(340)	-16.6%
	\$177,773	100.0%	\$169,626	100.0%	\$8,147	4.8%
Total Revenues						
Wendy's	\$564,473	60.6%	\$588,867	65.9%	(\$24,394)	-4.1%
Tim Hortons	319,023	34.2%	254,889	28.5%	64,134	25.2%
Developing Brands*	48,024	5.2%	50,417	5.6%	(2,393)	-4.7%
	\$931,520	100.0%	\$894,173	100.0%	\$37,347	4.2%

*Developing Brands includes Baja Fresh and Cafe Express

WENDY'S INTERNATIONAL, INC. AND SUBSIDIARIES
OPERATING INCOME BY SEGMENT

(in thousands):

	First Quarter Ended				Change	
	<u>April 2, 2006</u>	% of Revenues	<u>April 3, 2005</u>	% of Revenues	<u>Dollars</u>	<u>Percentage</u>
<u>Operating Income (Loss)</u>						
Wendy's	\$11,782	2.1%	\$43,938	7.5%	(\$32,156)	-73.2%
Tim Hortons	75,954	23.8%	62,544	24.5%	13,410	21.4%
Developing Brands*	<u>(4,466)</u>	-9.3%	<u>(3,455)</u>	-6.9%	<u>(1,011)</u>	-29.3%
Segment operating income	83,270	8.9%	103,027	11.5%	(19,757)	-19.2%
Corporate charges**	<u>(16,458)</u>	-1.8%	<u>(13,215)</u>	-1.5%	<u>(3,243)</u>	-24.5%
Operating income	<u>\$66,812</u>	7.2%	<u>\$89,812</u>	10.0%	<u>(\$23,000)</u>	-25.6%

*Developing Brands includes Baja Fresh and Cafe Express.

**Corporate charges include certain overhead costs which are not allocated to individual segments.

**WENDY'S INTERNATIONAL, INC. AND SUBSIDIARIES
RATIOS**

	As of April 2, 2006	As of January 1, 2006
Long Term Debt to Equity	42%	30%
Debt to Total Capitalization	30%	23%

WENDY'S INTERNATIONAL, INC. AND SUBSIDIARIES
SYSTEMWIDE RESTAURANTS

	As of April 2, 2006	As of January 1, 2006	Increase/ (Decrease) From Prior Quarter	As of April 3, 2005	Increase/ (Decrease) From Prior Year
<u>Wendy's</u>					
U.S.					
Company	1,313	1,345	(32)	1,332	(19)
Franchise	4,704	4,673	31	4,628	76
	6,017	6,018	(1)	5,960	57
Canada					
Company	150	152	(2)	154	(4)
Franchise	230	225	5	230	0
	380	377	3	384	(4)
Other International					
Company	5	5	0	5	0
Franchise	343	346	(3)	350	(7)
	348	351	(3)	355	(7)
Total Wendy's					
Company	1,468	1,502	(34)	1,491	(23)
Franchise	5,277	5,244	33	5,208	69
	6,745	6,746	(1)	6,699	46
<u>Tim Hortons</u>					
U.S.					
Company	63	62	1	67	(4)
Franchise	229	226	3	193	36
	292	288	4	260	32
Canada					
Company	35	33	2	33	2
Franchise	2,576	2,564	12	2,445	131
	2,611	2,597	14	2,478	133
Total Tim Hortons					
Company	98	95	3	100	(2)
Franchise	2,805	2,790	15	2,638	167
	2,903	2,885	18	2,738	165
<u>Baja Fresh</u>					
U.S.					
Company	143	142	1	146	(3)
Franchise	156	157	(1)	154	2
Total Baja Fresh	299	299	0	300	(1)
<u>Cafe Express</u>					
U.S.					
Company	19	19	0	19	0
Total Cafe Express	19	19	0	19	0
<u>Total System</u>					
Company	1,728	1,758	(30)	1,756	(28)
Franchise	8,238	8,191	47	8,000	238
	9,966	9,949	17	9,756	210

WENDY'S INTERNATIONAL, INC.
Income Statement Definitions

Retail Sales	Includes sales from company operated restaurants. Also included are the sales to franchisees from Wendy's bun baking facilities, and sales to franchisees from Tim Hortons' coffee roaster and distribution warehouses.
Franchise Revenues	Consists primarily of royalties, rental income and franchise fees. Franchise fees include charges for various costs and expenses related to establishing a franchisee's business, and include initial equipment packages for the Hortons' franchises.
Cost of Sales	Includes food, paper and labor costs for restaurants. Also included are the cost of goods sold to franchisees from Wendy's bun baking facilities, and Tim Hortons' coffee roaster and distribution warehouses.
Company Restaurant Operating Costs	Consists of all costs necessary to manage and operate restaurants, except cost of sales and depreciation. These include advertising, insurance, maintenance, rent, etc., as well as support costs for personnel directly related to restaurant operations.
Operating Costs	Includes rent expense related to properties leased to franchisees, and cost of equipment sold to franchisees as part of the initiation of the franchise business. Training and other costs necessary to ensure a successful Hortons' franchise opening and costs to operate and maintain the Tim Hortons' distribution warehouses, Tim Hortons' coffee roaster and Wendy's bun baking facilities are also included in operating costs.
General and Administrative Expenses	Costs that cannot be directly related to generating revenue.
Other Income and Expense	Includes expenses (income) that are not directly derived from the Company's primary businesses. This includes income from the Company's investments in joint ventures and other minority investments. Expenses include store closures and other asset write-offs.