

April 10, 2017

El Pollo Loco Announces New Development Incentives

Development incentive program aims to drive growth and accelerate expansion in select new markets

COSTA MESA, Calif., April 10, 2017 (GLOBE NEWSWIRE) -- El Pollo Loco (Nasdaq:LOCO), the nation's leading fire-grilled chicken chain, today announced a new development incentive program to drive accelerated growth and penetration in new markets. The program applies to new and existing franchisees with multi-unit development agreements in markets outside of California and Nevada.

Qualified franchisees with multi-unit development agreements in new markets through March 31, 2018 may be eligible for the following financial incentives:

- Reduced initial franchise fee of \$30,000 for the first restaurant and further reduced initial franchise fee of \$20,000 for each subsequent restaurant
- Reduced royalty fees for the first three years: 2 percent in year one, 3 percent in year two, and 4 percent in year three
- Initial franchise fee for any restaurant opened ahead of calendar year as identified in their development schedule will be reduced by 50 percent
- During term of multi-unit development agreement, any incremental restaurants opened above and beyond commitment are eligible for \$0 initial franchise fee

"As we continue to focus on strategic growth, we are pleased to offer compelling financial incentives to franchisees that are committed to bringing our authentically prepared food to guests in new markets," said John Dawson, Chief Development Officer at El Pollo Loco. "The program is designed to accelerate growth across new markets by providing significant incentives for existing and new qualified, experienced franchisees. We're confident El Pollo Loco has a significant runway for expansion and we look forward to partnering with franchisees to bolster our pace of growth."

The incentives are subject to the complete rules and eligibility requirements of the program. Full program details are available upon completion and review of the franchise inquiry at www.elpolloloco.com/franchising. To learn more about El Pollo Loco's franchise program and incentives, email Julie Mitchell, Director of Franchise Sales at El Pollo Loco, at imitchell@elpolloloco.com.

About El Pollo Loco

<u>El Pollo Loco</u> (Nasdaq:LOCO) is the nation's leading fire-grilled chicken restaurant chain renowned for its masterfully citrus-marinated, fire-grilled chicken and handcrafted entrees using fresh ingredients inspired by Mexican recipes. With more than 460 company-owned and franchised restaurants in Arizona, California, Nevada, Texas and Utah, El Pollo Loco is expanding its presence in key markets through a combination of company and existing and new franchisee development. Visit us on our website at <u>ElPolloLoco.com</u>.

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