

Church's Chicken Purchases 20 Restaurants in Louisiana Through Partnership with WETCO Restaurant Group, LLC
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Church's Chicken announces an agreement with WETCO Restaurant Group, LLC, to purchase 20 Church's restaurants in the New Orleans, Baton Rouge, Lafayette, and Alexandria markets. This purchase plan will help to preserve over 400 jobs and ensure the continued operation of the restaurants.

The deal involves WETCO, Church's Chicken and GE Capital and allows WETCO to be restructured as part of a consensual Chapter 11 bankruptcy. GE Capital is the senior creditor while Cajun is both the franchisor and a major creditor.

The need to restructure arose primarily from the devastation caused by Hurricane Katrina and the financial ripple effects that followed.

Church's management says much of the credit for this deal goes to Bill Tucker, Founder and CEO of WETCO.

'We would like to thank and recognize Bill and his team for their heroic efforts in the face of this natural disaster. Bill and his team have invested tremendous capital, time, energy, and passion for over two years to save this business. Through their efforts, thousands of Church's customers have been served and hundreds of WETCO employees have retained their jobs,' said Doug Pendergast, Chief Franchise Officer of Church's Chicken.

WETCO originally purchased the restaurants from AFC Enterprises in 2002. Bill Tucker and the senior executive team will continue to be involved in the business as expert consultants to support the transition and continue the community outreach programs they created.

'After two years of toiling with a disaster recovery plan involving governmental resources, without success, we've reached the point where the only way to save the business was to inject millions of dollars of additional private capital. WETCO was just not in a position to make this investment. I came to the realization that the best thing I could do for these communities and my employees was to sell the business, and let Cajun restructure this business, given their resources and opportunity to compete more effectively,' Tucker added.

Church's is particularly pleased about the positive impact this move means for the people of New Orleans as they continue in their efforts to recover from Hurricane Katrina.

'We all worked very hard on this because we knew it was important to the people of this city to make it work. This is yet another sign of how important the New Orleans community is to us and how much faith we have in the people there,' added Pendergast.

About Church's

Founded in San Antonio, Texas, in 1952, Church's Chicken(R) is a highly recognized brand name in the QSR sector, and is one of the largest quick-service chicken concepts in the world. Church's Chicken(R) serves freshly prepared, high quality, flavorful chicken and tenders with signature sides and handmade-from-scratch biscuits at low prices and differentiates from its competitors in care and attention given in preparation of food, and is positioned as the Value Leader in the Chicken QSR category. As of February 2007, the Church's system had 1,600 locations worldwide in 18 countries, with system sales exceeding \$1 billion.

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