

## STATEMENT REGARDING CLASS ACTION LAWSUIT

### UPDATED STATEMENT REGARDING CLASS ACTION LAWSUIT - January 26, 2011

"The lawsuit is bogus and filled with completely inaccurate facts. Our beef is 100% USDA inspected, just like the quality beef you would buy in a supermarket and prepare in your home. It then is slow-cooked and simmered with proprietary seasonings and spices to provide Taco Bell's signature taste and texture. Our seasoned beef recipe contains 88% quality USDA-inspected beef and 12% seasonings, spices, water and other ingredients that provide taste, texture and moisture. The lawyers got their facts wrong. We take this attack on our quality very seriously and plan to take legal action against them for making false statements about our products. There is no basis in fact or reality for this suit and we will vigorously defend the quality of our products from frivolous and misleading claims such as this."

What is in Taco Bell's recipe for seasoned beef?

"We're cooking with a proprietary recipe to give our seasoned beef flavor and texture, just like you would with any recipe you cook at home.

For example, when you make chili, meatloaf or meatballs, you add your own recipe of seasoning and spices to give the beef flavor and texture, otherwise, it would taste just like unseasoned ground beef. We do the same thing with our recipe for seasoned beef.

Our recipe for seasoned beef includes ingredients you'd find in your home or in the supermarket aisle today:

- 88% USDA-inspected quality beef
- 3-5% water for moisture
- 3-5% spices (including salt, chili pepper, onion powder, tomato powder, sugar, garlic powder, cocoa powder and a proprietary blend of Mexican spices and natural flavors).
- 3-5% oats, starch, sugar, yeast, citric acid, and other ingredients that contribute to the quality of our product.

Our seasoned beef contains no "extenders" to add volume, as some might use. For more information about our ingredients go to <http://www.tacobell.com>."

Greg Creed  
President and Chief Concept Officer  
Taco Bell Corp.