



News Release

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SONIC EXPANDS STOCK REPURCHASE PROGRAM

Company Sees Fourth Quarter Performance on Track and Strong Earnings Growth ahead in Fiscal 2003

OKLAHOMA CITY (August 21, 2002) – Sonic Corp. (Nasdaq/NM: SONC) today announced that its Board of Directors has expanded the company's current stock repurchase program by approximately \$56 million, to a total of \$130.3 million, and has extended the term of the program through calendar year 2003. With the additional authorization, Sonic now has approximately \$60 million available for repurchase of the company's common stock. Since the program's inception in March 1998, Sonic has expended \$70.3 million for the repurchase of 5.6 million shares, including \$15.3 million during the current fiscal year used to repurchase 744,000 shares.

Commenting on the announcement, Scott McLain, Sonic's Chief Financial Officer, said, "Our prior purchases of our common stock have been accretive to earnings per share and we believe that this ongoing program will continue to support our objective of maximizing shareholder value." McLain noted that, as originally announced, the company's share repurchases may be made from time to time in the open market as deemed appropriate by the company and will depend on market conditions. Sonic intends to finance the repurchase program from internal funds and with debt facilities; for the current fiscal year ending August 31, Sonic expects its operations to generate free cash flow of between \$20 million and \$25 million. The expansion of the program is not expected to affect the company's current growth plans.

Separately, McLain said that the company remains comfortable with analysts' current consensus earnings estimates of \$0.38 and \$1.13 per diluted share, respectively, for the fourth quarter and fiscal year ending August 31, 2002. These expected year-end results would represent an increase of 22% over earnings of \$0.93 for fiscal 2001, adjusted for a three-for-two stock split distributed in February 2002. Sonic plans to report its fourth quarter and fiscal year results in mid-October.

"Our business remains fundamentally very healthy," said McLain. "Profitability during both June and July was strong even though estimated system-wide same-store sales for the fourth quarter are slightly positive but below our targeted range of 2% to 4%, this due at least in part to falling consumer confidence. We still expect fiscal 2002 to be our sixteenth consecutive year of system-wide same-store sales growth and we remain on track for 180 to 185 new drive-in openings this year. We also continue to be very pleased with both consumer and operator response to our new breakfast program that is now available across roughly half of our system.

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"We are gratified that our strategies, which are built on a foundation of unique products and service and a strong franchising philosophy, have positioned us to produce solid earnings growth this year," he continued. "We also believe that these strategies will again lead to 18% to 20% earnings growth in fiscal 2003 as well. Our outlook for next year is based on 15% to 18% revenue growth, reflecting low single-digit same-store sales growth driven by higher media expenditures, new product news, and day part initiatives – including the expansion of breakfast, as well as higher franchising income and continued new drive-in development. In addition, we should continue to benefit from positive cash flow and increased leverage of corporate-level expenses."

This press release contains forward-looking statements within the meaning of the federal securities laws. There are certain important factors that could cause actual results to differ materially from those anticipated by the statements made herein. Among the factors that could cause actual results to differ from predicted or expected results are: delays in opening new stores because of weather, strikes, local permitting or other reasons; increased competition; cost increases or shortages in raw food products; and the possibility of unforeseen events affecting the industry generally. The company undertakes no obligation to publicly release revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unforeseen events, except as required to be reported under the rules and regulations of the Securities and Exchange Commission.

Sonic Corp. franchises and operates the largest chain of drive-in restaurants in the United States. For more information about the company, visit Sonic's website at sonicdrivein.com.

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