

**29 May 2013**  
**NZX**

### **Restaurant Brands' First Quarter Sales up 3.9%**

Restaurant Brands' total sales across the company's four brands during the first quarter (12 weeks ended 20th May 2013) were \$73.3 million, an increase of 3.9% or \$2.8 million on the equivalent period last year.

The new Carl's Jr. brand of burger restaurants, launched in November 2012 was the largest contributor to the sales increase at \$2.3 million with three stores trading for most of the quarter.

KFC total sales increased 0.1% in the quarter. Starbucks Coffee sales decreased 5.1% and Pizza Hut sales were up 6.7%.

Same store sales for the company were up 3.2% with KFC showing a small decrease of 0.9%, Starbucks Coffee up 1.7% and Pizza Hut well up with 28.6% growth.

#### **KFC**

Total sales for KFC were steady, increasing by 0.1% or \$0.1 million to \$54.1 million (compared with a 3.1% decrease in the prior year on the back of the very successful *Double Down* launch in 2011/12). Same store sales showed a decline of 0.9%.

A full range of promotions were run in the quarter including the extension of the popular *Double Down* range to include the new *Zinger Double Down with Chilli Relish* variant.

#### **Pizza Hut**

Total sales for Pizza Hut were up 6.7% or \$0.7 million to \$11.3 million (compared with flat growth in the prior year). This result is with 12 fewer stores as the company has continued its strategy of selling regional and lower volume stores to independent franchisees.

Same store sales for the quarter increased by 28.6%. Over the last four quarters the rate of same store sales growth has continued to increase since the launch of the *Large Classics Pizza Range* part way through Q1 in 2012/13 and the *Large Favourites Pizza Range* in Q2 of 2012/13.

Promotions in the quarter included the *\$1.00 Stuffed Crust Pizza* followed by the *Hot Dog Stuffed Crust Pizza* and the limited time *Meat Lovers BBQ* promotion.

Company stores reduced in number from 69 a year ago to 57 at the end of the quarter with 26 Pizza Hut stores now operated by independent franchisees. There were no Company stores sold over the quarter.

Total Pizza Hut system sales (including those of independent franchisees) totalling 83 stores were \$16.2 million for the quarter, up 28.5% in total and up 29.2% on a same store basis.

## **Starbucks Coffee**

Starbucks Coffee total quarterly sales were \$5.6 million, down \$0.3 million or 5.1%. The brand had five less stores than prior year, two as a result of earthquake related closures in Christchurch, and three stores with low sales closed at the end of their leases.

Same store sales were up 1.7% (compared with a 0.9% decrease in the prior year). This is a continuation of the growth in sales that has been driven by the value strategy and improved customer experience initiatives implemented in the middle of 2012/13.

Successful promotions run in the period were the *Cookie Crumble Frappuccino Range*, which held particular appeal with consumers over the extended hot summer experienced this year.

## **Carl's Jr.**

A third Carl's Jr. store opened in Queen Street, Auckland on 28 February 2013, adding to the existing stores at Mangere and Palmerston North.

The fourth store in Frankton, Hamilton, opened on 16 May 2013 and achieved a weekly sales record for any store operated by the company.

Sales for the quarter were \$2.3 million, \$0.5 million higher than the last quarter.

The *Memphis BBQ Burger* and the *Hokey Pokey Milkshake* promotions continued to be a success this quarter with consistently strong sales since launch.

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## RESTAURANT BRANDS NEW ZEALAND LIMITED

### Quarterly Sales Report

### Summary of Results for the 1st Quarter (Q1)

(for the 12 weeks 26/2/2013 to 20/5/2013)

	2013/14 (\$000's)	2012/13 (\$000's)	% change
<b><u>Q1 2013/14 vs Q1 2012/13</u></b>			
Total Store Sales - KFC	54,141	54,066	0.1%
Total Store Sales - Pizza Hut	11,299	10,585	6.7%
Total Store Sales - Starbucks Coffee	5,614	5,917	-5.1%
Total Store Sales - Carl's Jr.	2,295	-	n/a
<b>Total Store Sales</b>	<b>73,349</b>	<b>70,568</b>	<b>3.9%</b>
<b><u>YTD 2013/14 vs YTD 2012/13</u></b>			
Same Store Sales - KFC	52,769	53,249	-0.9%
Same Store Sales - Pizza Hut	11,294	8,780	28.6%
Same Store Sales - Starbucks Coffee	5,588	5,492	1.7%
Same Store Sales - Carl's Jr.	-	-	n/a
<b>Total Same Store Sales</b>	<b>69,651</b>	<b>67,521</b>	<b>3.2%</b>
<b><u>NUMBER OF STORES OPEN AT QUARTER END</u></b>			
Qtr End no of Stores - KFC	89	88	1
Qtr End no of Stores - Pizza Hut	57	69	-12
Qtr End no of Stores - Starbucks Coffee	29	34	-5
Qtr End no of Stores - Carl's Jr.	4	-	4
<b>Total Stores</b>	<b>179</b>	<b>191</b>	<b>-12</b>