

**11 December 2013**  
**NZX**

### **Restaurant Brands' Third Quarter Sales up 5.4%**

Restaurant Brands' total sales across the company's four brands during the third quarter (12 weeks ended 2 December 2013) were \$76.2 million, an increase of 5.4% or \$3.9 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 \$3.9 million.

Starbucks Coffee sales increased 2.7%, with Pizza Hut down 0.4% and KFC total sales decreasing 0.1% in the quarter against the prior year.

Same store sales for the company were up 0.2% with strong growth in Starbucks Coffee up 7.7% and Pizza Hut up 12.7% with KFC showing a decrease of 2.7%.

#### **KFC**

Total sales for KFC decreased marginally by 0.1% or \$0.1 million to \$55.3 million over the quarter (compared with a 0.5% increase in the prior year).

Same store sales declined by 2.7%. The successful sales driving *Value Menu* promotion came to an end with a new value promotion introduced toward the end of the quarter. Two promotions in the period were the *Bucket List* promotion and the *Mexican Burger*.

Year to date sales for KFC were \$184.6 million, an increase of 1.0% on a total basis, but down 0.9% on a same store basis.

During the quarter a new KFC store opened at the Auckland International Airport bringing the total number of stores up to 90.

#### **Pizza Hut**

Total sales for Pizza Hut were in line with last year at \$11.0 million (compared with a 3.5% increase in the prior year). This result is with eight (13%) 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 12.7% on top of an 18.3% growth in the same quarter of the prior year. This growth has been sustained by the continuing value offer and successful promotion in the quarter including *\$8 Extra Large Classics*.

There were 52 Company stores at the end of the quarter versus 60 in the prior year with 32 Pizza Hut stores now operated by independent franchisees. There were no Company stores sold over the quarter with five stores sold for the year to date.

Year to date sales for Pizza Hut were \$37.6 million, an increase of 1.8% on a total sales basis and up 17.3% on a same store basis.

## **Starbucks Coffee**

Starbucks Coffee total quarterly sales were \$5.8 million, up \$0.2 million or 2.7%, despite having three fewer stores than the prior year.

Same store sales were up 7.7% (compared with a 2.8% decrease in the prior year). This is a continuation of the growth in sales that has been driven by better value and improved customer experience initiatives implemented in the middle of 2012/13.

Successful promotions in the quarter were the *Starbucks Salted Caramel Mocha* and the launch of the Starbucks Christmas range which helped drive strong sales.

Year to date sales for Starbucks Coffee were \$18.8 million. This was a decrease of 1.2% on a total basis, but an increase of 5.2% on a same store basis.

During the quarter two non-performing stores were closed at Mt Maunganui and College Hill bringing total stores to 27 at the end of the quarter.

## **Carl's Jr.**

Carl's Jr. continued its store roll-out program with three stores opening in the quarter, at the Auckland International Airport, Hastings and Otahuhu, bringing the total Company stores to eight.

Sales were \$4.0 million in the quarter bringing total year to date sales of \$10.6m, with two strong promotions over the quarter being the *Hawaiian Teriyaki Burger* and the *Jim Beam Bourbon Burger*.

The brand continues to gather strong support in New Zealand with the Carl's Jr. NZ Facebook page reaching the milestone of 100,000 Facebook fans.

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# RESTAURANT BRANDS NEW ZEALAND LIMITED

## Quarterly Sales Report

### Summary of Results for the 3rd Quarter (Q3)

(for the 12 weeks 10/9/2013 to 2/12/2013)

	2013/14 (\$000's)	2012/13 (\$000's)	% change
<b><u>Q3 2013/14 vs Q3 2012/13</u></b>			
Total Store Sales - KFC	55,319	55,384	-0.1%
Total Store Sales - Pizza Hut	11,045	11,086	-0.4%
Total Store Sales - Starbucks Coffee	5,841	5,685	2.7%
Total Store Sales - Carl's Jr.	3,971	90	
<b>Total Store Sales</b>	<b>76,176</b>	<b>72,245</b>	<b>5.4%</b>
Same Store Sales - KFC	53,691	55,166	-2.7%
Same Store Sales - Pizza Hut	11,043	9,796	12.7%
Same Store Sales - Starbucks Coffee	5,811	5,395	7.7%
Same Store Sales - Carl's Jr.	20	90	
<b>Total Same Store Sales</b>	<b>70,565</b>	<b>70,446</b>	<b>0.2%</b>
<b><u>YTD 2013/14 vs YTD 2012/13</u></b>			
Total Store Sales - KFC	184,583	182,827	1.0%
Total Store Sales - Pizza Hut	37,622	36,970	1.8%
Total Store Sales - Starbucks Coffee	18,816	19,054	-1.2%
Total Store Sales - Carl's Jr.	10,599	90	
<b>Total Store Sales</b>	<b>251,619</b>	<b>238,941</b>	<b>5.3%</b>
Same Store Sales - KFC	179,260	180,906	-0.9%
Same Store Sales - Pizza Hut	37,602	32,059	17.3%
Same Store Sales - Starbucks Coffee	18,752	17,834	5.2%
Same Store Sales - Carl's Jr.	20	90	
<b>Total Same Store Sales</b>	<b>235,634</b>	<b>230,888</b>	<b>2.1%</b>
<b><u>NUMBER OF STORES OPEN AT QUARTER END</u></b>			
Qtr End no of Stores - KFC	90	88	2
Qtr End no of Stores - Pizza Hut	52	60	-8
Qtr End no of Stores - Starbucks Coffee	27	30	-3
Qtr End no of Stores - Carl's Jr.	8	1	7
<b>Total Stores</b>	<b>177</b>	<b>179</b>	<b>-2</b>