

**17 September 2014**  
**NZX**

### **Restaurant Brands' Second Quarter Sales up 5.8%**

Restaurant Brands' total sales during the second quarter of the financial year (16 weeks ended 8 September 2014) were \$108.0 million, an increase of 5.8% or \$5.9 million on the equivalent period last year.

Of the total increase in sales KFC was the key contributor at \$5.0 million with Carl's Jr. contributing a further \$0.8 million.

Same store sales for the company were up 5.3% with strong growth in KFC which grew 7.4%. Starbucks Coffee was up 4.7% and Pizza Hut up 7.6%. Carl's Jr. was down 37.9% as it rolled over very high new store opening sales in the five stores open in the prior year.

#### **KFC**

Total sales for KFC increased by 6.7% or \$5.0 million to \$80.2 million over the quarter (compared with 2.4% growth the year before).

Same store sales increased by 7.4%. The strong sales increase continued to be driven by the new menu, in particular around family meals launched late last year. Strong promotions in the quarter were the return of the *Double Down* including two new variants and the very popular *Hot 'n Spicy* campaign.

Year to date sales for KFC were \$137.1 million, an increase of 6.1% on a total basis and up 6.4% on a same store basis.

Store numbers decreased by one during the quarter to 90 with the closure of the KFC in Taihape.

#### **Pizza Hut**

Total sales for Pizza Hut were slightly down on last year at \$15.2 million (compared with a 0.1% decrease in the prior year). This result is with three fewer stores as the company continued its strategy of selling regional and lower volume stores to independent franchisees.

Same store sales for the quarter increased by 7.6% on top of a 13.2% growth in the same quarter of the prior year. This growth has been sustained by the continuing value offer and successful promotions in the quarter including the popular free *Stuffed Crust* with a *Meat Lovers* pizza purchase.

Year to date sales for Pizza Hut were \$26.5 million, a decrease of 0.3% on a total basis and up 8.3% on a same store basis.

There were 49 company stores at the end of the quarter versus 52 in the prior year with 35 Pizza Hut stores now operated by independent franchisees. The Botany Downs store was sold to an independent franchisee during the quarter.

## **Starbucks Coffee**

Starbucks Coffee total quarterly sales were \$7.5 million, up \$0.1 million or 1.8%, despite having two fewer stores than the prior year.

Same store sales were up 4.7% (compared with a 5.8% increase 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 over the past two years.

Year to date sales for Starbucks Coffee were \$13.2 million, an increase of 2.0% on a total basis and up 5.1% on a same store basis.

Store numbers decreased by one during the quarter to 26 with the closure of the Starbucks Coffee store on Karangahape Road in Central Auckland.

## **Carl's Jr.**

Total Carl's Jr. sales for the second quarter were up 19.6% to \$5.2 million driven by new store openings, whilst same store sales were down 37.9% as the brand rolled over very strong openings from last year.

The Carl's Jr. brand had one new store open in the quarter in Gisborne bringing total company store numbers to nine, four higher than the first quarter of the prior year. Two more stores are planned to open this fiscal year.

## **Half Year Results**

The financial results for the first half year will be released on 23 October.

For further information please contact

Russel Creedy  
CEO  
Phone: 525 8710

Grant Ellis  
CFO/Company Secretary  
Phone: 525 8710

ENDS

# RESTAURANT BRANDS NEW ZEALAND LIMITED

## Quarterly Sales Report

### Summary of Results for the 2nd Quarter (Q2)

(for the 16 weeks 20/05/2014 to 8/09/2014)

	2014/15 (\$000's)	2013/14 (\$000's)	% change
<b><u>Q2 2014/15 vs Q2 2013/14</u></b>			
Total Store Sales - KFC	80,171	75,123	6.7%
Total Store Sales - Pizza Hut	15,156	15,278	-0.8%
Total Store Sales - Starbucks Coffee	7,492	7,361	1.8%
Total Store Sales - Carl's Jr.	5,182	4,333	19.6%
<b>Total Store Sales</b>	<b>108,001</b>	<b>102,095</b>	<b>5.8%</b>
Same Store Sales - KFC	78,586	73,164	7.4%
Same Store Sales - Pizza Hut	15,145	14,075	7.6%
Same Store Sales - Starbucks Coffee	7,458	7,124	4.7%
Same Store Sales - Carl's Jr.	2,689	4,333	-37.9%
<b>Total Same Store Sales</b>	<b>103,877</b>	<b>98,695</b>	<b>5.3%</b>
<b><u>YTD 2014/15 vs YTD 2013/14</u></b>			
Total Store Sales - KFC	137,107	129,264	6.1%
Total Store Sales - Pizza Hut	26,486	26,577	-0.3%
Total Store Sales - Starbucks Coffee	13,228	12,975	2.0%
Total Store Sales - Carl's Jr.	8,846	6,628	33.5%
<b>Total Store Sales</b>	<b>185,667</b>	<b>175,444</b>	<b>5.8%</b>
Same Store Sales - KFC	134,398	126,342	6.4%
Same Store Sales - Pizza Hut	26,467	24,439	8.3%
Same Store Sales - Starbucks Coffee	13,159	12,526	5.1%
Same Store Sales - Carl's Jr.	4,153	6,628	-37.3%
<b>Total Same Store Sales</b>	<b>178,177</b>	<b>169,934</b>	<b>4.9%</b>
<b><u>NUMBER OF STORES OPEN AT QUARTER END</u></b>			
Qtr End no of Stores - KFC	90	89	1
Qtr End no of Stores - Pizza Hut	49	52	-3
Qtr End no of Stores - Starbucks Coffee	26	28	-2
Qtr End no of Stores - Carl's Jr.	9	5	4
<b>Total Stores</b>	<b>174</b>	<b>174</b>	<b>0</b>