

**23 September 2015**  
**NZX**

### **Restaurant Brands' Second Quarter Sales up 12.0%**

Restaurant Brands' total sales during the second quarter of the financial year (16 weeks ended 14 September 2015) were \$121.0 million, an increase of 12.0% or \$13.0 million on the equivalent period last year.

Of the total increase, KFC contributed \$8.6 million, driven by strong same store sales. Carl's Jr. contributed a further \$5.2 million, mostly from higher store numbers following the acquisition of seven Auckland-based Carl's Jr. stores in December 2014.

Same store sales for the company were up 6.0%, led by KFC which grew 8.0% and Starbucks Coffee up 6.7%. Pizza Hut was slightly down at 0.4% with Carl's Jr. down 7.9% rolling opening of new stores.

#### **KFC**

Total sales for KFC were \$88.7 million, up 10.7% (compared with 6.7% growth the year before) or \$8.6 million on the equivalent period last year.

Same store sales were up by 8.0%. The strong sales continue to be driven by store transformation and a strong marketing programme. Successful promotions in the quarter were the *Double Down* (with new ham steak & hawaiian variants) and the *Family Favourites Bucket*. This was followed by the launch of the innovative *Rice Box* and the *Aioli & Bacon Burger* as well as bringing back a customer favourite *Hot & Spicy*.

KFC also had two more stores (Albany & Oamaru) compared with the prior period last year.

Year to date sales for KFC were \$153.2 million, an increase of 11.7% on a total basis and up 8.8% on a same store basis.

#### **Pizza Hut**

Total sales for Pizza Hut were \$14.1 million for the quarter, a decrease of 7.1% on the equivalent period last year due to having five fewer stores as the company continued its strategy of selling lower volume stores to independent franchisees.

Same store sales for the quarter decreased 0.4%, rolling over strong growth of 7.6% in the same quarter of the prior year.

Year to date sales for Pizza Hut were \$24.5 million, a decrease of 7.3% in total due to fewer stores. There were 44 company stores at the end of the quarter versus 49 in the prior year. There are now 45 Pizza Hut stores operated by independent franchisees with the Albany and Takanini stores sold to independent franchisees in the quarter.

## **Starbucks Coffee**

Starbucks Coffee total quarterly sales were \$7.8 million, up 4.1% on the equivalent period last year.

Same store sales were up 6.7% (rolling over a 4.7% increase in the prior year). The brand continues to see growth in sales driven by better value and improved customer experience initiatives implemented over the past two years.

Year to date sales for Starbucks Coffee were \$13.9 million, an increase of 5.2% on a total basis and up 7.6% on a same store basis.

Store numbers remained steady during the quarter at 26.

## **Carl's Jr.**

Total Carl's Jr. sales for the quarter were \$10.4 million, an increase of 99.8% on the equivalent period last year, due to the increase in store numbers with 9 new and acquired stores added to the portfolio since the prior period last year.

On a same store basis sales were down 7.9% rolling new store openings last year with the brand showing positive growth for most stores and some stores still rolling over high opening period sales.

The brand is beginning to build awareness and customer loyalty across the total network, which comprised 18 stores at the end of the quarter.

## **Half Year Results**

The financial results for the first half year will be released on 29 October 2015.

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**RESTAURANT BRANDS NEW ZEALAND LIMITED**

**Quarterly Sales Report**

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

(for the 16 weeks 26/05/2015 to 14/09/2015)

	2015/16 (\$000's)	2014/15 (\$000's)	% change
<b><u>Q2 2015/16 vs Q2 2014/15</u></b>			
Total Store Sales - KFC	88,722	80,171	10.7%
Total Store Sales - Pizza Hut	14,076	15,156	-7.1%
Total Store Sales - Starbucks Coffee	7,798	7,492	4.1%
Total Store Sales - Carl's Jr.	10,355	5,182	99.8%
<b>Total Store Sales</b>	<b>120,951</b>	<b>108,001</b>	<b>12.0%</b>
Same Store Sales - KFC	84,652	78,363	8.0%
Same Store Sales - Pizza Hut	13,696	13,749	-0.4%
Same Store Sales - Starbucks Coffee	7,797	7,310	6.7%
Same Store Sales - Carl's Jr.	4,771	5,182	-7.9%
<b>Total Same Store Sales</b>	<b>110,915</b>	<b>104,603</b>	<b>6.0%</b>
<b><u>YTD 2015/16 vs YTD 2014/15</u></b>			
Total Store Sales - KFC	153,171	137,107	11.7%
Total Store Sales - Pizza Hut	24,543	26,486	-7.3%
Total Store Sales - Starbucks Coffee	13,911	13,228	5.2%
Total Store Sales - Carl's Jr.	18,388	8,846	107.9%
<b>Total Store Sales</b>	<b>210,013</b>	<b>185,667</b>	<b>13.1%</b>
Same Store Sales - KFC	146,481	134,672	8.8%
Same Store Sales - Pizza Hut	23,870	23,974	-0.4%
Same Store Sales - Starbucks Coffee	13,869	12,888	7.6%
Same Store Sales - Carl's Jr.	8,246	8,847	-6.8%
<b>Total Same Store Sales</b>	<b>192,465</b>	<b>180,380</b>	<b>6.7%</b>
<b><u>NUMBER OF STORES OPEN AT QUARTER END</u></b>			
Qtr End no of Stores - KFC	92	90	2
Qtr End no of Stores - Pizza Hut	44	49	-5
Qtr End no of Stores - Starbucks Coffee	26	26	0
Qtr End no of Stores - Carl's Jr.	18	9	9
<b>Total Stores</b>	<b>180</b>	<b>174</b>	<b>6</b>