

**INCOME STATEMENT**

For the period 1 March to 8 September 2008 (2009 Half Year)

Group 2009 Half Year Unaudited \$000	Group 2008 Half Year Unaudited \$000	Group 2008 Full Year Audited \$000
<b>Continuing operations</b>		
162,262 Store sales revenue	164,107	303,547
245 Other revenue	238	447
<b>162,507 Total operating revenue</b>	<b>164,345</b>	<b>303,994</b>
(135,052) Cost of goods sold	(134,852)	(248,579)
<b>27,455 Gross profit</b>	<b>29,493</b>	<b>55,415</b>
(2,408) Distribution expenses	(2,773)	(4,922)
(10,573) Marketing expenses	(9,903)	(18,391)
(5,558) General and administrative expenses	(6,023)	(10,962)
<b>8,916 EBIT before non-trading</b>	<b>10,794</b>	<b>21,140</b>
(3,228) Non-trading	(1,413)	(3,404)
<b>5,688 Earnings before interest and taxation</b>	<b>9,381</b>	<b>17,736</b>
- Interest revenue	19	84
(2,454) Interest expense	(2,655)	(5,037)
<b>3,234 Profit before taxation</b>	<b>6,745</b>	<b>12,783</b>
(872) Taxation expense	(2,262)	(3,312)
<b>2,362 Profit after taxation from continuing operations</b>	<b>4,483</b>	<b>9,471</b>
<b>Discontinued operation</b>		
- Loss from discontinued operation (net of taxation)	-	(456)
<b>2,362 Total profit after taxation</b>	<b>4,483</b>	<b>9,015</b>
<b>Basic and diluted earnings per share from continuing</b>		
<b>2.43 operations</b>	<b>4.62</b>	<b>9.75</b>

There was no difference between basic and diluted earnings per share.

**STATEMENT OF CHANGES IN EQUITY**

For the period 1 March to 8 September 2008 (2009 Half Year)

Unaudited \$000	Unaudited \$000	Audited \$000
2,362 Total profit after taxation	4,483	9,015
(29) Movements in foreign currency translation reserve	179	11
<b>2,333 Total recognised revenues and expenses</b>	<b>4,662</b>	<b>9,026</b>
(12) Movements in reported capital	5	7
<b>(12) Total contributions from shareholders</b>	<b>5</b>	<b>7</b>
(3,666) Distribution of dividends to shareholders	(3,121)	(6,258)
266 Foreign investor tax credit	208	431
<b>(3,400) Net distribution of dividends to shareholders</b>	<b>(2,913)</b>	<b>(5,827)</b>
<b>(1,079) Movements in equity for the period</b>	<b>1,754</b>	<b>3,206</b>
<b>35,837 Equity at the beginning of the period</b>	<b>32,631</b>	<b>32,631</b>
<b>34,758 Equity at the end of the period</b>	<b>34,385</b>	<b>35,837</b>

**BALANCE SHEET**  
**As at 8 September 2008 (2009 Half Year)**

Group 2009 Half Year Unaudited \$000	Note	Group 2008 Half Year Unaudited \$000	Group 2008 Full Year Audited \$000
<b>Current assets</b>			
2,139 Inventories		2,136	2,075
2,382 Trade and other receivables		2,233	1,512
- Income tax receivable		719	764
761 Cash		1,133	1,061
6 Assets classified as held for sale	5	108	22
<b>5,288 Total current assets</b>		<b>6,329</b>	<b>5,434</b>
<b>Non current assets</b>			
75,884 Property, plant and equipment		80,155	78,104
26,314 Intangible assets		30,585	29,431
- Deferred tax asset		880	-
<b>102,198 Total non current assets</b>		<b>111,620</b>	<b>107,535</b>
<b>107,486 Total assets</b>		<b>117,949</b>	<b>112,969</b>
<b>Current liabilities</b>			
24,282 Creditors and accruals		25,776	24,721
423 Income tax payable		-	-
1,482 Provisions and deferred income		1,743	1,509
443 Loans and finance leases		815	513
381 Liabilities associated with assets classified as held for sale	5	1,466	1,287
<b>27,011 Total current liabilities</b>		<b>29,800</b>	<b>28,030</b>
<b>Non current liabilities</b>			
4,875 Provisions and deferred income		5,020	5,593
40,798 Bank loans and finance leases		48,744	42,871
44 Deferred tax liability		-	638
<b>45,717 Total non current liabilities</b>		<b>53,764</b>	<b>49,102</b>
<b>72,728 Total liabilities</b>		<b>83,564</b>	<b>77,132</b>
<b>34,758 Total net assets</b>		<b>34,385</b>	<b>35,837</b>
<b>Equity</b>			
25,622 Share capital		25,622	25,622
80 Share option reserve		90	92
84 Foreign currency translation reserve		281	113
8,972 Other reserves		8,392	10,010
<b>34,758 Total equity</b>		<b>34,385</b>	<b>35,837</b>

For and on behalf of the Board:



**E K van Arkel**  
Chairman  
9 October 2008



**D A Pilkington**  
Director  
9 October 2008

**STATEMENT OF CASH FLOWS**  
**For the period 1 March to 8 September 2008 (2009 Half Year)**

Group 2009 Half Year Unaudited \$000	Group 2008 Half Year Unaudited \$000	Group 2008 Full Year Audited \$000
<b>Cash flows from operating activities</b>		
<b>Cash was provided by / (applied to):</b>		
163,254 Receipts from customers	169,581	311,158
(149,727) Payments to suppliers and employees	(153,343)	(275,716)
(2,920) Interest paid (net)	(2,851)	(4,787)
(111) Income taxes (paid) / received	-	667
<b>10,496 Net cash from operating activities</b>	<b>13,387</b>	<b>31,322</b>
<b>Cash flows from investing activities</b>		
<b>Cash was (applied to) / provided by:</b>		
(100) Payment of intangibles	(1,627)	(3,481)
(4,949) Purchase of property, plant and equipment	(8,089)	(14,755)
26 Net proceeds from disposal of property, plant and equipment	17	26
36 Sale of discontinued operations	(127)	(311)
<b>(4,987) Net Cash (used in) investing activities</b>	<b>(9,826)</b>	<b>(18,521)</b>
<b>Cash flows from financing activities</b>		
<b>Cash was provided by / (applied to):</b>		
(2,143) (Decrease) in term bank loans and finance leases	(407)	(6,582)
(3,400) Dividends paid to shareholders of the company	(2,913)	(5,827)
(266) Supplementary dividends paid	(208)	(431)
<b>(5,809) Net cash (used in) financing activities</b>	<b>(3,528)</b>	<b>(12,840)</b>
<b>(300) Net (decrease) / increase in cash held</b>	<b>33</b>	<b>(39)</b>
<b>Reconciliation of cash balances</b>		
<b>1,061 Cash at beginning of the period</b>	<b>1,100</b>	<b>1,100</b>
330 Cash on hand	350	340
431 Cash at bank	783	721
<b>761 Cash at end of the period</b>	<b>1,133</b>	<b>1,061</b>
<b>(300) Net (decrease) / increase in cash held</b>	<b>33</b>	<b>(39)</b>

## RECONCILIATION OF PROFIT AFTER TAXATION TO NET CASH FLOW FROM OPERATING ACTIVITIES

For the period 1 March to 8 September 2008 (2009 Half Year)

Group 2009 Half Year Unaudited \$000	Group 2008 Half Year Unaudited \$000	Group 2008 Full Year Audited \$000
<b>2,362 Profit after taxation</b>	<b>4,483</b>	<b>9,015</b>
<b>Items classified as investing / financing activities:</b>		
194 Loss on disposal of property, plant and equipment	539	1,855
(36) Other non-operating costs of exiting Pizza Hut Victoria	127	311
<b>158</b>	<b>666</b>	<b>2,166</b>
<b>Non-cash items:</b>		
6,945 Depreciation	6,780	12,416
(128) (Decrease) / increase in provision for exit costs	-	415
(194) (Decrease) in provisions	(373)	(560)
686 Amortisation of intangible assets	524	1,283
(594) (Decrease) / increase in deferred tax liability	1,218	2,736
383 Impairment of NZ property, plant and equipment	-	535
2,515 Impairment of Pizza Hut New Zealand goodwill	-	1,187
(12) Share based payments	5	7
<b>9,601</b>	<b>8,154</b>	<b>18,019</b>
<b>Movement in working capital:</b>		
(47) (Increase) / decrease in inventories	(48)	34
(871) (Increase) in trade and other receivables	(788)	(293)
(2,160) (Decrease) / increase in trade creditors and accruals	137	1,420
1,453 Decrease in income tax receivable	783	961
<b>(1,625)</b>	<b>84</b>	<b>2,122</b>
<b>10,496 Net cash from operating activities</b>	<b>13,387</b>	<b>31,322</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 1 – Profit before taxation

Group 2009 Half Year Unaudited \$000	Group 2008 Half Year Unaudited \$000	Group 2008 Full Year Audited \$000
<b>Profit before tax (consolidated business)</b>		
The profit before taxation is calculated after charging / (crediting) the following items:		
9,664 Royalties paid	10,023	18,401
10,134 Operating lease expenses	10,569	19,269
194 Net loss on disposal of property, plant and equipment	539	1,855
<b>Non-trading items comprise:</b>		
<b>Continuing operations</b>		
2,515 Impairment of Pizza Hut New Zealand goodwill	-	1,187
671 Store closure costs	433	573
108 Store relocation and refurbishment costs	1,046	1,195
- Organisational restructuring	-	573
(66) Other revenue	(66)	(124)
<b>3,228</b>	<b>1,413</b>	<b>3,404</b>
<b>Discontinued operation</b>		
(128) Store closure costs	-	681
<b>3,100</b>	<b>1,413</b>	<b>4,085</b>

**Notes to the Financial Statements (continued)**  
**Note 2 – Analysis of income statement**

For the period 1 March 2008 to 8 September 2008 (2009 Half Year)  
 \$000 (Unaudited)

	Half Year 2009			Half Year 2008			Full Year 2008		
	Continuing Operations	Discontinued Operation	Total	Continuing Operations	Discontinued Operation	Total	Continuing Operations	Discontinued Operation	Total
Store sales revenue	162,262	275	162,537	164,107	4,668	168,775	303,547	6,275	309,822
Other revenue	245	-	245	238	-	238	447	-	447
Total operating revenue	162,507	275	162,782	164,345	4,668	169,013	303,994	6,275	310,269
Cost of goods sold	(135,052)	(277)	(135,329)	(134,852)	(4,780)	(139,632)	(248,579)	(6,526)	(255,105)
<b>Gross profit</b>	<b>27,455</b>	<b>(2)</b>	<b>27,453</b>	<b>29,493</b>	<b>(112)</b>	<b>29,381</b>	<b>55,415</b>	<b>(251)</b>	<b>55,164</b>
Distribution expenses	(2,408)	(11)	(2,419)	(2,773)	(263)	(3,036)	(4,922)	(344)	(5,266)
Marketing expenses	(10,573)	(11)	(10,584)	(9,903)	(324)	(10,227)	(18,391)	(435)	(18,826)
General and administrative expenses	(5,558)	(69)	(5,627)	(6,023)	(312)	(6,335)	(10,962)	(446)	(11,408)
Release of exit provision	-	93	93	-	1,011	1,011	-	1,476	1,476
<b>EBIT before non-trading</b>	<b>8,916</b>	-	<b>8,916</b>	<b>10,794</b>	-	<b>10,794</b>	<b>21,140</b>	-	<b>21,140</b>
Non-trading items	(3,228)	128	(3,100)	(1,413)	-	(1,413)	(3,404)	(681)	(4,085)
<b>EBIT</b>	<b>5,688</b>	<b>128</b>	<b>5,816</b>	<b>9,381</b>	-	<b>9,381</b>	<b>17,736</b>	<b>(681)</b>	<b>17,055</b>
Net financing costs	(2,454)	-	(2,454)	(2,636)	-	(2,636)	(4,953)	-	(4,953)
<b>Net profit / (loss) before taxation</b>	<b>3,234</b>	<b>128</b>	<b>3,362</b>	<b>6,745</b>	-	<b>6,745</b>	<b>12,783</b>	<b>(681)</b>	<b>12,102</b>
Taxation (expense) / credit	(872)	(128)	(1,000)	(2,262)	-	(2,262)	(3,312)	225	(3,087)
<b>Net profit / (loss) after taxation</b>	<b>2,362</b>	-	<b>2,362</b>	<b>4,483</b>	-	<b>4,483</b>	<b>9,471</b>	<b>(456)</b>	<b>9,015</b>
<b>Net profit after taxation excluding non-trading</b>	<b>4,632</b>	-	<b>4,632</b>	<b>5,430</b>	-	<b>5,430</b>	<b>11,044</b>	-	<b>11,044</b>
<b>Basic and diluted earnings per share</b>	<b>2.43</b>	-	<b>2.43</b>	<b>4.62</b>	-	<b>4.62</b>	<b>9.75</b>	<b>(0.47)</b>	<b>9.28</b>

Notes to the Financial Statements (continued)  
 Note 3 – Business segments

\$000 (Unaudited)

	2009		2008		2009		2008		2009		2008		2009		2008		2009		2008	
	KFC	Pizza Hut	Starbucks Coffee	Pizza Hut Victoria *	Other**	Year						Full Year								
Store sales revenue	110,375	106,175	34,570	40,507	17,317	17,425	275	4,668		162,537	168,775	309,822								
Other revenue							245	238		245	238	447								
Total operating revenue	110,375	106,175	34,570	40,507	17,317	17,425	275	4,668	238	162,782	169,013	310,269								
Segment result before non-trading	13,905	14,824	(1,991)	(750)	53	424	-	(3,051)	(3,704)	8,916	10,794	21,140								
Segment result	13,889	14,622	(4,873)	(1,173)	(277)	319	128	(3,051)	(4,387)	5,816	9,381	17,055								
Operating profit (EBIT)										5,816	9,381	17,055								
Net financing costs										(2,454)	(2,636)	(4,953)								
Net profit before taxation										3,362	6,745	12,102								
Income tax expense										(1,000)	(2,262)	(3,087)								
Net profit after taxation										2,362	4,483	9,015								
Net profit after taxation excluding non-trading										4,632	5,430	11,044								
Concept EBITDA before G&A	18,586	19,210	1,263	2,390	1,666	2,109	-	-	-	21,515	23,709	45,130								

\* All segments are continuing operations except Pizza Hut Victoria

\*\* Other is general and administrative support centre expenses

**Note 4 – Basis of preparation**

These unaudited financial statements for the 28 week period ended 8 September 2008 have been prepared in accordance with generally accepted accounting practice in New Zealand and NZ IAS 34, Interim Financial Statements, and should be read in conjunction with the financial statements published in the Annual Report for the period ended 29 February 2008 (referred to in these statements as “2008 Full Year”). By complying with NZ IAS 34 the Group is also in compliance with International Accounting Standard 34 Interim Financial Reporting (IAS 34).

The Group (Restaurant Brands New Zealand Limited and its subsidiaries) divides its financial year into thirteen 4-week periods. The 2009 full year results will be for 53 weeks because the Group normally uses a 52 week (364 day) year, so a “leap year” is occasionally required. These interim financial statements are for the first 7 periods (28 weeks) of the year ending on 8 September 2008 (2008:28 weeks ending on 10 September 2007). The second half will be for 6 periods (25 weeks).

The interim financial statements presented are those of the Group. Restaurant Brands New Zealand Limited is a company domiciled in New Zealand, is registered under the Companies Act 1993, and is an issuer in terms of the Securities Act 1978 and the Financial Reporting Act 1993. The Group is designated as a profit oriented entity for financial reporting purposes.

The policies on which these interim financial statements have been prepared are consistent with those applied in preparing the financial statements in the Annual Report.

To ensure consistency with current period, comparative figures have been restated where appropriate.

**Note 5 – Assets held for sale and discontinued operations**

The Group disposed of all remaining Pizza Hut Victoria stores during the period. All remaining assets and liabilities have been classified as held for sale.

	<b>Group</b> 2009 Half Year Unaudited \$000	<b>Group</b> 2008 Half Year Unaudited \$000	<b>Group</b> 2008 Full Year Audited \$000
<b>Assets classified as held for sale:</b>			
Inventories	-	38	17
Trade and other receivables	6	70	5
	6	108	22
<b>Liabilities associated with assets classified as held for sale:</b>			
Creditors and accruals	381	1,466	1,287

**Note 6 – Contingencies**

Provision has been made in the ordinary course of business for all known and probable future claims but not for such claims that cannot presently be reliably measured.

**Note 7 – Post balance date events**

Subsequent to balance date, the Directors declared an interim dividend of 3 cents per share or \$2.9 million (2008: \$2.9 million). A supplementary dividend of 0.53 cents per share will be paid to overseas shareholders when the dividend is paid.

**Note 8 – Capital commitments**

The Group had capital commitments totalling \$0.7 million (2008: \$4.55 million) which are not provided for in these financial statements.

**Note 9 – Earnings per share**

The calculation of basic earnings per share for the half year ended 8 September 2008 was based on the profit from continuing operations attributable to ordinary shareholders of \$2.362 million and the actual number of ordinary shares outstanding during the period of 97,128,956 as follows:

	<b>Group</b> 2009 Half Year Unaudited \$000	<b>Group</b> 2008 Half Year Unaudited \$000	<b>Group</b> 2008 Full Year Audited \$000
<b>Profit attributable to ordinary shareholders</b>	<b>2,362</b>	<b>4,483</b>	<b>9,471</b>
	<b>000's of shares</b>	<b>000's of shares</b>	<b>000's of shares</b>
<b>Weighted average number of ordinary shares at 8 September 2008</b>	<b>97,129</b>	<b>97,129</b>	<b>97,129</b>

There were no changes in the number of ordinary shares over the period.

**Shares on Issue**

As at 8 September 2008, the total number of ordinary shares on issue was 97,128,956 (2008: 97,128,956).