

**STATEMENT OF COMPREHENSIVE INCOME**  
**For the period 1 March to 12 September 2011 (2012 Half Year)**

Group 2012 Half Year Unaudited \$NZ000's	Note	Group 2011 Half Year Unaudited \$NZ000's	Group 2011 Full Year Audited \$NZ000's
<b>Continuing operations</b>			
166,457 Store sales revenue		176,284	324,384
360 Other revenue		280	516
<b>166,817 Total operating revenue</b>		<b>176,564</b>	<b>324,900</b>
(137,834) Cost of goods sold		(138,990)	(256,746)
<b>28,983 Gross profit</b>		<b>37,574</b>	<b>68,154</b>
(1,704) Distribution expenses		(2,026)	(3,461)
(8,576) Marketing expenses		(8,115)	(15,204)
(6,179) General and administration expenses		(7,232)	(12,743)
<b>12,524 EBIT before non-trading</b>		<b>20,201</b>	<b>36,746</b>
(1,660) Non-trading		(596)	(2,047)
<b>10,864 Earnings before interest and taxation (EBIT)</b>		<b>19,605</b>	<b>34,699</b>
1 Interest revenue		-	11
(723) Interest expense		(572)	(1,182)
(722) Net financing expenses		(572)	(1,171)
<b>10,142 Profit before taxation</b>		<b>19,033</b>	<b>33,528</b>
(2,593) Taxation expense		(5,556)	(9,511)
<b>Profit after taxation from continuing operations attributable to</b>			
<b>7,549 shareholders</b>		<b>13,477</b>	<b>24,017</b>
<b>Discontinued operation</b>			
- Profit from discontinued operation (net of taxation)		-	295
<b>7,549 Total profit after taxation attributable to shareholders</b>		<b>13,477</b>	<b>24,312</b>
<b>Other comprehensive income:</b>			
1 Exchange differences on translating foreign operations		4	(15)
- Derivative hedging reserve		(211)	(203)
- Income tax relating to components of other comprehensive income		63	61
<b>1 Other comprehensive income / (loss) for the half year, net of tax</b>		<b>(144)</b>	<b>(157)</b>
<b>Total comprehensive income for the half year attributable to</b>			
<b>7,550 shareholders</b>		<b>13,333</b>	<b>24,155</b>
<b>7.72 Basic earnings per share from continuing operations (cents)</b>	<b>5</b>	<b>13.82</b>	<b>24.60</b>
- Basic earnings per share from discontinued operation (cents)	5	-	0.30
<b>7.72 Basic earnings per share from total operations (cents)</b>	<b>5</b>	<b>13.82</b>	<b>24.90</b>
<b>7.71 Diluted earnings per share from continuing operations (cents)</b>	<b>5</b>	<b>13.78</b>	<b>24.58</b>
- Diluted earnings per share from discontinued operation (cents)	5	-	0.30
<b>7.71 Diluted earnings per share from total operations (cents)</b>	<b>5</b>	<b>13.78</b>	<b>24.89</b>

**STATEMENT OF CHANGES IN EQUITY**  
**For the period 1 March to 12 September 2011 (2012 Half Year)**

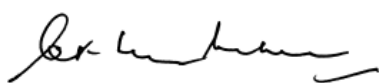
<b>GROUP \$NZ000's</b>	<b>Share Capital</b>	<b>Share Option Reserve</b>	<b>Foreign Currency Translation Reserve</b>	<b>Derivative Hedging Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>Audited balance as at 28 February 2010</b>	<b>25,821</b>	<b>68</b>	<b>68</b>	<b>142</b>	<b>22,571</b>	<b>48,670</b>
<b>Comprehensive income</b>						
Total profit after taxation attributable to shareholders	-	-	-	-	13,477	13,477
<b>Other comprehensive income</b>						
Movement in foreign currency translation reserve	-	-	4	-	-	4
Movement in derivative hedging reserve	-	-	-	(148)	-	(148)
<b>Total other comprehensive income</b>	-	-	4	(148)	-	(144)
<b>Total comprehensive income</b>	-	-	4	(148)	13,477	13,333
<b>Transactions with owners</b>						
Shares issued on exercise of options	659	(31)	-	-	-	628
Net dividends distributed	-	-	-	-	(7,810)	(7,810)
<b>Total transactions with owners</b>	659	(31)	-	-	(7,810)	(7,182)
<b>Unaudited balance as at 13 September 2010</b>	<b>26,480</b>	<b>37</b>	<b>72</b>	<b>(6)</b>	<b>28,238</b>	<b>54,821</b>
<b>Comprehensive income</b>						
Total profit after taxation attributable to shareholders	-	-	-	-	10,835	10,835
<b>Other comprehensive income</b>						
Movement in foreign currency translation reserve	-	-	(19)	-	-	(19)
Movement in derivative hedging reserve	-	-	-	6	-	6
<b>Total other comprehensive income</b>	-	-	(19)	6	-	(13)
<b>Total comprehensive income</b>	-	-	(19)	6	10,835	10,822
<b>Transactions with owners</b>						
Shares issued on exercise of options	96	(4)	-	-	-	92
Net dividends distributed	-	-	-	-	(6,840)	(6,840)
<b>Total transactions with owners</b>	96	(4)	-	-	(6,840)	(6,748)
<b>Audited balance as at 28 February 2011</b>	<b>26,576</b>	<b>33</b>	<b>53</b>	<b>-</b>	<b>32,233</b>	<b>58,895</b>
<b>Comprehensive income</b>						
Total profit after taxation attributable to shareholders	-	-	-	-	7,549	7,549
<b>Other comprehensive income</b>						
Movement in foreign currency translation reserve	-	-	1	-	-	1
<b>Total other comprehensive income</b>	-	-	1	-	-	1
<b>Total comprehensive income</b>	-	-	1	-	7,549	7,550
<b>Transactions with owners</b>						
Shares issued on exercise of options	54	(4)	-	-	-	50
Net dividends distributed	-	-	-	-	(9,779)	(9,779)
<b>Total transactions with owners</b>	54	(4)	-	-	(9,779)	(9,729)
<b>Unaudited balance as at 12 September 2011</b>	<b>26,630</b>	<b>29</b>	<b>54</b>	<b>-</b>	<b>30,003</b>	<b>56,716</b>

## STATEMENT OF FINANCIAL POSITION

As at 12 September 2011 (2012 Half Year)

Group 2012 Half Year Unaudited \$NZ000's	Note	Group 2011 Half Year Unaudited \$NZ000's	Group 2011 Full Year Audited \$NZ000's
<b>Non-current assets</b>			
82,980		82,954	82,565
20,800		23,500	22,173
1,552		1,420	1,553
<b>105,332</b>		<b>107,874</b>	<b>106,291</b>
<b>Current assets</b>			
2,126		1,878	1,789
3,651		2,042	2,477
289		-	-
487		784	795
-	4	2,005	-
<b>6,553</b>		<b>6,709</b>	<b>5,061</b>
<b>111,885</b>		<b>114,583</b>	<b>111,352</b>
<b>Equity attributable to shareholders</b>			
26,630		26,480	26,576
83		103	86
30,003		28,238	32,233
<b>56,716</b>		<b>54,821</b>	<b>58,895</b>
<b>Non-current liabilities</b>			
5,879		5,963	5,957
18,006		12,819	12,398
<b>23,885</b>		<b>18,782</b>	<b>18,355</b>
<b>Current liabilities</b>			
-		1,971	2,753
156		192	109
29,288		36,700	29,449
1,609		1,800	1,620
219		9	157
12	4	308	14
<b>31,284</b>		<b>40,980</b>	<b>34,102</b>
<b>55,169</b>		<b>59,762</b>	<b>52,457</b>
<b>111,885</b>		<b>114,583</b>	<b>111,352</b>

For and on behalf of the Board:



**E K van Arkel**  
Chairman



**D A Pilkington**  
Director

**STATEMENT OF CASH FLOWS**

For the period 1 March to 12 September 2011 (2012 Half Year)

<b>Group</b>	<b>Group</b>	<b>Group</b>
2012 Half Year	2011 Half Year	2011 Full Year
Unaudited	Unaudited	Audited
\$NZ000's	\$NZ000's	\$NZ000's
<b>Cash flows from operating activities</b>		
Cash was provided by / (applied to):		
167,544	177,124	325,912
Receipts from customers		
(146,522)	(143,451)	(274,291)
Payments to suppliers and employees		
(729)	(631)	(1,058)
Interest paid (net)		
(5,123)	(7,059)	(9,964)
Payment of income tax		
<b>15,170</b>	<b>25,983</b>	<b>40,599</b>
<b>Net cash from operating activities</b>		
<b>Cash flows from investing activities</b>		
Cash was (applied to) / provided by:		
(506)	(178)	(357)
Payment for intangibles		
(12,117)	(13,250)	(24,313)
Purchase of property, plant and equipment		
1,730	12	4,305
Proceeds from disposal of property, plant and equipment		
<b>(10,893)</b>	<b>(13,416)</b>	<b>(20,365)</b>
<b>Net cash (used in) investing activities</b>		
<b>Cash flows from financing activities</b>		
Cash was provided by / (applied to):		
50	628	720
Cash received on the exercise of options		
5,630	(5,090)	(5,460)
Increase / (decrease) in loans		
25	160	26
Increase in finance leases		
(9,779)	(7,810)	(14,650)
Dividends paid to shareholders		
(511)	(497)	(901)
Supplementary dividends paid		
<b>(4,585)</b>	<b>(12,609)</b>	<b>(20,265)</b>
<b>Net cash (used in) financing activities</b>		
<b>(308)</b>	<b>(42)</b>	<b>(31)</b>
<b>Net decrease in cash and cash equivalents</b>		
<b>Reconciliation of cash and cash equivalents</b>		
<b>795</b>	<b>826</b>	<b>826</b>
<b>Cash and cash equivalents at the beginning of the period:</b>		
<b>Cash and cash equivalents at the end of the period:</b>		
257	280	285
Cash on hand		
230	504	510
Cash at bank		
<b>487</b>	<b>784</b>	<b>795</b>
<b>Net decrease in cash and cash equivalents</b>		
<b>(308)</b>	<b>(42)</b>	<b>(31)</b>

**STATEMENT OF CASH FLOWS (continued)**  
**For the period 1 March to 12 September 2011 (2012 Half Year)**

The following is a reconciliation between profit after taxation for the period shown in the statement of comprehensive income and the net cash flow from operating activities.

Group 2012 Half Year Unaudited \$NZ000's	Group 2011 Half Year Unaudited \$NZ000's	Group 2011 Full Year Audited \$NZ000's
<b>7,549</b> Total profit after taxation attributable to shareholders	<b>13,477</b>	<b>24,312</b>
<b>Add items classified as investing / financing activities:</b>		
134 Loss on disposal of property, plant and equipment	217	485
<b>134</b>	<b>217</b>	<b>485</b>
<b>Add / (less) non-cash items:</b>		
7,389 Depreciation	6,681	12,622
1,241 Disposal of goodwill	-	1,000
(52) (Decrease) / increase in provisions	464	118
548 Amortisation of intangible assets	443	899
90 Write-off of franchise fees	8	58
113 Impairment on property, plant and equipment	266	898
1 Net decrease / (increase) in deferred tax asset	(346)	(479)
62 Change in fair value of derivative financial instruments	-	157
- Tax effect of derivative financial instruments	63	61
<b>9,392</b>	<b>7,579</b>	<b>15,334</b>
<b>Add / (less) movement in working capital:</b>		
(337) (Increase) / decrease in inventories	(56)	33
(1,769) Increase in other debtors and prepayments	(135)	(570)
2,732 Increase in trade creditors and other payables	6,122	1,040
(3,042) Decrease in income tax payable	(1,718)	(936)
511 Decrease in income tax	497	901
<b>(1,905)</b>	<b>4,710</b>	<b>468</b>
<b>15,170</b> Net cash from operating activities	<b>25,983</b>	<b>40,599</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the period 1 March to 12 September 2011 (2012 Half Year)**

**1. Profit before taxation**

Group 2012 Half Year Unaudited \$NZ000's	Group 2011 Half Year Unaudited \$NZ000's	Group 2011 Full Year Audited \$NZ000's
<b>Profit before taxation (consolidated business)</b>		
The profit before taxation is calculated after charging the following items:		
9,918 Royalties paid	10,500	19,316
9,357 Operating lease expenses	9,532	17,509
134 Net loss on disposal of property, plant and equipment	217	485
<b>Non-trading items comprise:</b>		
<b>New Zealand</b>		
Loss on sale of stores		
(895) Net sale proceeds	-	(1,054)
845 Property, plant and equipment disposed of	-	1,144
1,241 Goodwill disposed of	-	1,000
1,191	-	1,090
302 Other store closure costs (including franchise fees written off)	709	792
- Other store closure costs - insurance proceeds	(445)	(515)
54 Other store relocation and refurbishment costs	66	368
- Other store relocation and refurbishment - insurance proceeds	-	(586)
113 Impairment on property, plant and equipment	266	898
<b>1,660</b>	<b>596</b>	<b>2,047</b>
<b>Pizza Hut Victoria</b>		
- Release of store closure provision	-	(295)
-	-	(295)
<b>1,660 Total non-trading items</b>	<b>596</b>	<b>1,752</b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the period 1 March to 12 September 2011 (2012 Half Year)**

**2. Business segments**

	KFC		Pizza Hut		Starbucks Coffee		All other segments *		Consolidated Half Year	Consolidated Half Year	Consolidated Full Year
\$NZ000's (Unaudited)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2011
Store sales revenue	127,912	127,051	24,565	33,756	13,980	15,477	-	-	166,457	176,284	324,384
Other revenue	-	-	-	-	-	-	360	280	360	280	516
Total operating revenue **	127,912	127,051	24,565	33,756	13,980	15,477	360	280	166,817	176,564	324,900
<b>Segment result (Concept EBIT) before non-trading</b>	<b>16,571</b>	<b>23,621</b>	<b>(1,108)</b>	<b>671</b>	<b>575</b>	<b>671</b>	<b>(3,514)</b>	<b>(4,762)</b>	<b>12,524</b>	<b>20,201</b>	<b>36,746</b>
<b>Segment result (Concept EBIT) after non-trading</b>	<b>16,491</b>	<b>23,802</b>	<b>(2,673)</b>	<b>139</b>	<b>560</b>	<b>426</b>	<b>(3,514)</b>	<b>(4,762)</b>	<b>10,864</b>	<b>19,605</b>	<b>34,994</b>
<b>Operating profit (EBIT)</b>									<b>10,864</b>	<b>19,605</b>	<b>34,994</b>
Net financing costs									(722)	(572)	(1,171)
<b>Net profit before taxation</b>									<b>10,142</b>	<b>19,033</b>	<b>33,823</b>
Taxation expense									(2,593)	(5,556)	(9,511)
<b>Net profit after taxation</b>									<b>7,549</b>	<b>13,477</b>	<b>24,312</b>
<b>Net profit after taxation excluding non-trading</b>									<b>8,556</b>	<b>13,894</b>	<b>25,072</b>
<b>Concept EBITDA before general and administration expenses</b>	<b>23,209</b>	<b>28,842</b>	<b>1,042</b>	<b>3,147</b>	<b>1,695</b>	<b>1,997</b>	-	-	<b>25,946</b>	<b>33,986</b>	<b>61,866</b>
Segment assets	74,464	68,413	23,716	30,828	6,576	7,989	1,150	1,102	105,906	108,332	106,527
Unallocated assets									5,979	6,251	4,825
<b>Total assets</b>									<b>111,885</b>	<b>114,583</b>	<b>111,352</b>

\* All other segments are general and administration support centre expenses (G&A).

\*\* All operating revenue is from external customers.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the period 1 March to 12 September 2011 (2012 Half Year)**

**3. Basis of preparation**

These unaudited financial statements for the 28 week period ended 12 September 2011 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 28 February 2011 (referred to in these statements as “2011 Full Year”). These unaudited financial statements also comply with International Accounting Standard 34 Interim Financial Reporting (IAS 34). The accounting policies applied are consistent with those of the 2011 Full Year financial statements.

Restaurant Brands New Zealand Limited (the “Company” or “Parent”) together with its subsidiaries (the “Group”) operate quick service and takeaway restaurant concepts.

The Group divides its financial year into thirteen 4-week periods. These interim financial statements are for the first 7 periods (28 weeks) of the year ending on 12 September 2011 (2011:28 weeks ending on 13 September 2010). The second half will be for 6 periods (24 weeks).

The interim financial statements presented are those of the Group. The Company is a limited liability company incorporated and 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.

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

**4. Discontinued operation and assets held for sale**

*Discontinued operation – Pizza Hut Victoria*

The Group's disposal of all Pizza Hut Victoria stores was completed during the 2009 financial year. All remaining liabilities have been classified as held for sale, as set out below:

	<b>Group</b> 2012 Half Year Unaudited \$NZ000's	<b>Group</b> 2011 Half Year Unaudited \$NZ000's	<b>Group</b> 2011 Full Year Audited \$NZ000's
<b>Liabilities associated with assets classified as held for sale:</b>			
Trade and other payables	12	20	14
Provisions	-	288	-
	<b>12</b>	<b>308</b>	<b>14</b>

*Sale of stores*

**Assets classified as held for sale:**

Property, plant and equipment	-	2,005	-
	<b>-</b>	<b>2,005</b>	<b>-</b>



**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the period 1 March to 12 September 2011 (2012 Half Year)**

**5. Earnings per share**

The difference between weighted average number of shares used to calculate basic and diluted earnings per share represents share options.

	<b>Group</b> 2012 Half Year Unaudited	<b>Group</b> 2011 Half Year Unaudited	<b>Group</b> 2011 Full Year Audited
<b>Basic earnings per share from continuing operations</b>			
Profit after taxation from continuing operations attributable to shareholders (\$NZ000's)	7,549	13,477	24,017
Weighted average number of ordinary shares on issue (thousands)	97,781	97,526	97,625
Basic earnings per share (cents)	7.72	13.82	24.60
<b>Basic earnings per share from discontinued operation</b>			
Profit after taxation from discontinued operation attributable to shareholders (\$NZ000's)	-	-	295
Weighted average number of ordinary shares on issue (thousands)	97,781	97,526	97,625
Basic earnings per share (cents)	-	-	0.30
<b>Basic earnings per share from total operations</b>			
Profit after taxation from total operations attributable to shareholders (\$NZ000's)	7,549	13,477	24,312
Weighted average number of ordinary shares on issue (thousands)	97,781	97,526	97,625
Basic earnings per share (cents)	7.72	13.82	24.90
<b>Diluted earnings per share from continuing operations</b>			
Profit after taxation from continuing operations attributable to shareholders (\$NZ000's)	7,549	13,477	24,017
Weighted average number of ordinary shares on issue (thousands)	97,919	97,803	97,694
Diluted earnings per share (cents)	7.71	13.78	24.58
<b>Diluted earnings per share from discontinued operation</b>			
Profit after taxation from discontinued operation attributable to shareholders (\$NZ000's)	-	-	295
Weighted average number of ordinary shares on issue (thousands)	97,919	97,803	97,694
Diluted earnings per share (cents)	-	-	0.30
<b>Diluted earnings per share from total operations</b>			
Profit after taxation from total operations attributable to shareholders (\$NZ000's)	7,549	13,477	24,312
Weighted average number of ordinary shares on issue (thousands)	97,919	97,803	97,694
Diluted earnings per share (cents)	7.71	13.78	24.89

**Shares on issue**

As at 12 September 2011, the total number of ordinary shares on issue was 97,796,390 (2011: 97,704,468).

**6. Property, plant and equipment**

*Acquisitions and disposals*

During the half year ended 12 September 2011, the Group acquired assets with a total cost of \$9.2 million (2011: \$19.0 million) and disposed of assets with a total cost of \$4.7 million (2011: \$2.1 million).

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the period 1 March to 12 September 2011 (2012 Half Year)**

**7. Related party transactions**

*Subsidiaries*

During the period, the Parent received advances from its subsidiary company by way of inter-company group loans. In presenting the interim financial statements of the Group, the effect of inter-company transactions and balances have been eliminated. All inter-company group loans in the Parent are non-interest bearing and repayable on demand.

*Other transactions with entities with key management or entities related to them*

During the period the Group made stock purchases of \$0.1 million (2011: \$0.2 million) from Charlie's Group Limited, a company of which Company director Ted van Arkel is chairman. There was nil owing at balance date (2011: nil). Ted van Arkel resigned from the board of Charlie's Group Limited with effect from 28 August 2011.

During the period the Group made stock purchases of \$0.2 million (2011: \$0.2 million) from Barker Fruit Processors Limited, a company of which Company director Sue Suckling is chairperson. There was nil owing at balance date (2011: nil).

*Key management and director compensation*

Key management personnel comprises members of the Senior Leadership Team. Key management personnel compensation comprised short-term benefits for the period of \$1.7 million (2011: \$1.7 million) and other long-term benefits of \$15,000 (2011: \$6,000).

Fees paid to directors for the period were \$0.1 million (2011: \$0.1 million).

*Share options issued to key management personnel*

At balance date, 16,782 options issued under the employee share option plan (refer to 2011 Annual Report) to key management personnel remain outstanding (2011: 31,674). During the period, 14,892 options were exercised (2011: 44,371). The table below summarises the movement in outstanding options during the period.

<b>Date of issue</b>	<b>Exercise Price</b>	<b>Outstanding Options at 28 February 2011</b>	<b>Exercised during Period</b>	<b>Outstanding Options at 12 September 2011</b>
13-Sep-02	\$1.85	11,027	-	11,027
23-Sep-03	\$1.39	20,647	(14,892)	5,755
		31,674	(14,892)	16,782

**8. Capital commitments**

The Group had capital commitments totalling \$0.2 million (2011: \$8.1 million) which are not provided for in these financial statements.

**9. 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.

**10. Post balance date events**

*Dividends*

The directors have declared an interim dividend of 6.5 cents per share (2011: 7.0 cents) or \$6.4 million (2011: \$6.8 million). A supplementary dividend of 1.15 cents per share will be paid to overseas shareholders when the dividend is paid.

*Sale of store*

On 27 September 2011 the Company sold the Pizza Hut Whakatane store to an independent franchisee.