

28 August 2017
NZX

Restaurant Brands Acquires 10 KFC Sites in Australia from Yum!

Restaurant Brands New Zealand Limited (RBD) has, through its subsidiary QSR Pty Limited, concluded Sale and Purchase Agreements with a subsidiary of Yum! Restaurants International (Yum!) for the purchase of 10 KFC sites in New South Wales, Australia. The acquisition is for existing operating stores and does not include any potential new sites, although a number of these are currently under negotiation with Yum!.

The purchase represents a total investment of \$A27.5 million. On a full year basis, the acquisition is expected to generate sales of \$A29 million and an EBITDA (pre-G&A) of \$A4.5 million.

The purchase is subject to a number of the usual conditions associated with this sort of transaction, including landlord approvals for assignment of leases.

Following acquisition all Yum! staff will be offered ongoing employment in the stores on the same terms and conditions.

The purchase which will be 100% debt funded is expected to settle in stages between September and November 2017.

Chairman Ted van Arkel says that this purchase is another step towards building a significant presence in the Australian market. QSR is the largest KFC franchisee in New South Wales with store numbers expected to rise to over 60 by year end from the original 42 acquired in April last year.

For further information, please contact:

Grant Ellis
Company Secretary