

**13 December 2018**  
**ASX/NZX**

### **Restaurant Brands' Third Quarter Sales Up 4.7% with Strong Growth in Overseas Operations**

Restaurant Brands' total sales for the third quarter of the financial year (12 weeks to 3 December 2018) were \$181.5 million, an increase of 4.7% or \$8.2 million on the equivalent period last year.

New Zealand operations generated sales of \$94.7 million, down 2.2% on a total basis and up 2.2% on a same store basis. Australian KFC outlets produced sales of \$NZ44.3 million, up 18.8% on a total basis, and 2.4% on a same store basis (local currency). Hawaiian operations generated sales of \$NZ42.5 million, up 8.5% on a total basis and 3.6% on a same store basis (local currency).

Year to date sales were \$612.5 million, an increase of 9.5% over the prior year on a total basis.

Total company store numbers were down by 26 on the equivalent period last year to 284, primarily because of the sale of the 22 Starbucks Coffee stores in October and the sale of five New Zealand Pizza Hut stores to independent franchisees.

#### **KFC New Zealand**

Total third quarter sales for KFC New Zealand were \$77.2 million, an increase of 5.0% on the equivalent period last year and up 4.1% on a same store basis for this quarter.

Year to date sales for KFC New Zealand were \$256.5 million, an increase of 5.2% in total and up 3.9% on a same store basis.

Store numbers remained steady at 94 during the quarter, and one higher than last year.

#### **Pizza Hut New Zealand**

Total third quarter sales for Restaurant Brands-owned Pizza Hut stores were \$7.6 million, a decrease of 18.3% on the equivalent period last year. Same store sales for the quarter decreased by 6.1%.

Year to date sales for Restaurant Brands-owned Pizza Hut stores were \$28.0 million, a decrease of 12.8% in total, and down 5.2% on a same store basis.

Restaurant Brands-owned store numbers were steady through the quarter and down by five from last year to 29 as five Pizza Hut stores were sold to independent franchisees. There are now 67 Pizza Hut stores operated by independent franchisees, with the total network at 96 stores.

Network total sales for the quarter were \$23.1 million, an increase of 0.3%. Year to date network total sales were \$79.0 million, an increase of 1.3%.

#### **Starbucks Coffee**

Starbucks Coffee total sales for the third quarter were \$3.0 million, 50.3% lower in total due to the sale of the 22 stores completing during the quarter. Same store sales for the quarter were up 5.0%.

Year to date sales for Starbucks Coffee were \$16.0 million, an increase of 4.0% on a same store basis.

## **Carl's Jr.**

Total Carl's Jr. sales for the third quarter were \$7.0 million, a decrease of 13.9% on the equivalent period last year with the network having one less store than last year. Same store sales for the quarter were down by 8.3%.

Year to date sales for Carl's Jr. were \$24.4 million, a decrease 9.2% on a total basis and 3.9% on a same store basis.

Store numbers remained steady at 18 during the quarter.

## **KFC Australia**

Third quarter sales for KFC Australia were \$A40.9 million (\$NZ44.3 million), an increase of 21.3% on a total basis and 2.4% on a same store basis (local currency).

Year to date sales for KFC Australia were \$A136.4 million (\$NZ147.7 million), an increase of 35.8% on a total basis and 3.8% on a same store basis (local currency).

Store numbers increased by one to 62 stores during the quarter with one new store opening. Total store numbers are three higher than last year from the acquisition of two stores and one new store opening.

## **Taco Bell Hawaii**

Total Taco Bell sales for the third quarter were \$US16.7 million (\$NZ25.1 million), an increase of 7.2% on a total basis and 8.1% on a same store basis (local currency).

Year to date sales for Taco Bell were \$US55.4 million (\$NZ81.2 million), an increase of 6.0% on a total basis and 4.7% on a same store basis (local currency).

Store numbers remained steady at 36 during the quarter, and reduced by one on last year with the closure of the Taco Bell Pearlridge store due to the lease expiring.

## **Pizza Hut Hawaii**

Total Pizza Hut Hawaii sales for the third quarter were \$US11.7 million (\$NZ17.5 million), a decrease of 0.1% on a total basis and 2.4% on a same store basis (local currency).

Year to date Pizza Hut Hawaii sales were \$US40.1 million (\$NZ58.7 million), an increase of 3.0% on a total basis and a decrease of 2.1% on a same store basis (local currency).

Store numbers remained steady at 45 during the quarter.

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**RESTAURANT BRANDS NEW ZEALAND LIMITED**

Quarterly Sales Report

**Summary of Results for the 3rd Quarter (Q3)**

(for the 12 weeks 11/09/18 to 03/12/18)

	2018/19 (\$000's)	2017/18 (\$000's)	Change
<b>Total Store Sales (\$NZ)</b>			
<b><u>Q3 2018/19 vs Q3 2017/18</u></b>			
KFC New Zealand	77,213	73,549	5.0%
Pizza Hut New Zealand	7,566	9,258	-18.3%
Starbucks Coffee	2,973	5,977	-50.3%
Carl's Jr.	6,958	8,079	-13.9%
<b>New Zealand</b>	<b>94,710</b>	<b>96,863</b>	<b>-2.2%</b>
<b>KFC Australia *</b>	<b>44,270</b>	<b>37,279</b>	<b>18.8%</b>
Taco Bell *	25,068	22,422	11.8%
Pizza Hut Hawaii *	17,460	16,778	4.1%
<b>Hawaii *</b>	<b>42,528</b>	<b>39,200</b>	<b>8.5%</b>
<b>Total Store Sales</b>	<b>181,508</b>	<b>173,342</b>	<b>4.7%</b>
<b><u>YTD 2018/19 vs YTD 2017/18</u></b>			
KFC New Zealand	256,477	243,856	5.2%
Pizza Hut New Zealand	28,018	32,120	-12.8%
Starbucks Coffee	16,022	19,402	-17.4%
Carl's Jr.	24,419	26,882	-9.2%
<b>New Zealand</b>	<b>324,936</b>	<b>322,260</b>	<b>0.8%</b>
<b>KFC Australia *</b>	<b>147,661</b>	<b>109,143</b>	<b>35.3%</b>
Taco Bell *	81,183	73,372	10.6%
Pizza Hut Hawaii *	58,716	54,697	7.3%
<b>Hawaii *</b>	<b>139,899</b>	<b>128,069</b>	<b>9.2%</b>
<b>Total Store Sales</b>	<b>612,495</b>	<b>559,472</b>	<b>9.5%</b>
* - Converted at exchange rates on following page			
<b>Same Store Sales (Local Currency)</b>			
<b><u>Q3 2018/19 vs Q3 2017/18</u></b>			
KFC New Zealand	75,996	73,037	4.1%
Pizza Hut New Zealand	7,346	7,822	-6.1%
Starbucks Coffee	2,973	2,832	5.0%
Carl's Jr.	6,957	7,590	-8.3%
<b>New Zealand (\$NZ)</b>	<b>93,271</b>	<b>91,281</b>	<b>2.2%</b>
<b>KFC Australia (\$A)</b>	<b>33,020</b>	<b>32,239</b>	<b>2.4%</b>
Taco Bell	16,429	15,195	8.1%
Pizza Hut Hawaii	11,292	11,570	-2.4%
<b>Hawaii (\$US)</b>	<b>27,721</b>	<b>26,765</b>	<b>3.6%</b>
<b><u>YTD 2018/19 vs YTD 2017/18</u></b>			
KFC New Zealand	251,097	241,727	3.9%
Pizza Hut New Zealand	27,242	28,743	-5.2%
Starbucks Coffee	15,993	15,374	4.0%
Carl's Jr.	24,415	25,397	-3.9%
<b>New Zealand (\$NZ)</b>	<b>318,746</b>	<b>311,241</b>	<b>2.4%</b>
<b>KFC Australia (\$A)</b>	<b>100,154</b>	<b>96,458</b>	<b>3.8%</b>
Taco Bell	53,166	50,793	4.7%
Pizza Hut Hawaii	37,603	38,416	-2.1%
<b>Hawaii (\$US)</b>	<b>90,769</b>	<b>89,210</b>	<b>1.7%</b>

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(for the 12 weeks 11/09/18 to 03/12/18)

	2018/19 (\$000's)	2017/18 (\$000's)	Change
<b>Total Store Sales (Local Currency)</b>			
<b><u>Q3 2018/19 vs Q3 2017/18</u></b>			
<b>KFC Australia (\$A)</b>	40,933	33,741	21.3%
Taco Bell	16,743	15,618	7.2%
Pizza Hut Hawaii	11,670	11,686	-0.1%
<b>Hawaii (\$US)</b>	28,412	27,304	4.1%
<b><u>YTD 2018/19 vs YTD 2017/18</u></b>			
<b>KFC Australia (\$A)</b>	136,413	100,460	35.8%
Taco Bell	55,383	52,246	6.0%
Pizza Hut Hawaii	40,113	38,938	3.0%
<b>Hawaii (\$US)</b>	95,496	91,185	4.7%
<b>Number Of Stores Open At Quarter End</b>	<b>2018/19</b>	<b>2017/18</b>	<b>Change</b>
KFC New Zealand	94	93	1
Pizza Hut New Zealand	29	34	-5
Starbucks Coffee	-	23	-23
Carl's Jr.	18	19	-1
<b>New Zealand</b>	141	169	-28
<b>KFC Australia</b>	62	59	3
Taco Bell	36	37	-1
Pizza Hut Hawaii	45	45	-
<b>Hawaii</b>	81	82	-1
<b>Total Stores</b>	<b>284</b>	<b>310</b>	<b>-26</b>
<b>Exchange Rates</b>			
- Blended \$A:\$NZ rate for Q3	0.925	0.905	0.020
- Blended \$A:\$NZ rate for YTD	0.924	0.920	0.003
- Blended \$US:\$NZ rate for Q3	0.668	0.697	-0.028
- Blended \$US:\$NZ rate for YTD	0.683	0.712	-0.029

Note: Some Sales numbers for each of the concepts may not aggregate in total due to rounding.