

Yum!

YUM! Brands, Inc.
Historical Financial Summary
First Quarter, 2018



YUM! Brands, Inc.
Consolidated Statements of Income
(in millions, except per share amounts)

	2018	2017				2016	2015	
	Q1 (unaudited)	Q1 (unaudited)	Q2 (unaudited)	Q3 (unaudited)	Q4 (unaudited)	FY	FY	
Revenues								
Company sales	\$ 512	\$ 902	\$ 909	\$ 871	\$ 890	\$ 3,572	\$ 4,189	\$ 4,336
Franchise and property revenues	584	515	539	565	687	2,306	2,167	2,082
Franchise contributions for advertising and other services	275	-	-	-	-	-	-	-
Total revenues	1,371	1,417	1,448	1,436	1,577	5,878	6,356	6,418
Costs and Expenses, Net								
Company restaurant expenses	438	758	748	717	731	2,954	3,489	3,627
General and administrative expenses	219	237	247	215	300	999	1,129	1,058
Franchise and property expenses	47	46	54	61	76	237	201	240
Franchise advertising and other services expense	272	-	-	-	-	-	-	-
Refranchising (gain) loss	(156)	(111)	(19)	(201)	(752)	(1,083)	(163)	23
Other (income) expense	(2)	3	(1)	1	7	10	18	36
Total costs and expenses, net	818	933	1,029	793	362	3,117	4,674	4,984
Operating Profit	553	484	419	643	1,215	2,761	1,682	1,434
Investment (income) expense, net	(66)	(1)	(1)	(1)	(2)	(5)	(2)	-
Other pension (income) expense	3	28	4	10	5	47	32	40
Interest expense, net	107	110	105	110	120	445	307	141
Income before income taxes	509	347	311	524	1,092	2,274	1,345	1,253
Income tax provision	76	67	105	106	656	934	327	327
Income from continuing operations	433	280	206	418	436	1,340	1,018	926
Income from discontinued operations, net of tax	N/A	N/A	N/A	N/A	N/A	N/A	625	357
Net Income - YUM! Brands, Inc.	\$ 433	\$ 280	\$ 206	\$ 418	\$ 436	\$ 1,340	\$ 1,643	\$ 1,283
Basic EPS								
Reported EPS	\$ 1.30	\$ 0.78	\$ 0.59	\$ 1.21	\$ 1.29	\$ 3.86	\$ 2.58	\$ 2.13
Weighted average shares used in computation	332	357	350	345	337	347	394	435
Basic EPS - Discontinued Operations								
Reported EPS	N/A	N/A	N/A	N/A	N/A	N/A	\$ 1.59	\$ 0.82
Weighted average shares used in computation	N/A	N/A	N/A	N/A	N/A	N/A	394	435
Diluted EPS								
Reported EPS	\$ 1.27	\$ 0.77	\$ 0.58	\$ 1.18	\$ 1.26	\$ 3.77	\$ 2.54	\$ 2.09
Weighted average shares used in computation	340	364	358	353	345	355	400	443
Diluted EPS - Discontinued Operations								
Reported EPS	N/A	N/A	N/A	N/A	N/A	N/A	\$ 1.56	\$ 0.81
Weighted average shares used in computation	N/A	N/A	N/A	N/A	N/A	N/A	400	443
Company sales	\$ 512	\$ 902	\$ 909	\$ 871	\$ 890	\$ 3,572	\$ 4,189	\$ 4,336
Franchisee sales	11,196	9,867	10,062	10,800	12,393	43,122	40,732	39,393
System Sales	\$ 11,708	\$ 10,769	\$ 10,971	\$ 11,671	\$ 13,283	\$ 46,694	\$ 44,921	\$ 43,729
Worldwide System Same Store Sales Growth	1%	2%	2%	3%	2%	2%	1%	2%

* See accompanying "Notes to Historical Financial Summary".

YUM! Brands, Inc.
KFC Division Operating Results
(in millions)

	2018	2017				2016	2015	
	Q1	Q1	Q2	Q3	Q4	FY	FY	
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)			
Revenues								
Company sales	\$ 245	\$ 475	\$ 492	\$ 498	\$ 463	\$ 1,928	\$ 2,156	\$ 2,191
Franchise and property revenues	307	257	278	296	351	1,182	1,069	1,031
Franchise contributions for advertising and other services	106	-	-	-	-	-	-	-
Total revenues	658	732	770	794	814	3,110	3,225	3,222
Costs and Expenses, Net								
Company restaurant expenses	220	410	415	419	395	1,639	1,839	1,884
General and administrative expenses	85	89	85	85	111	370	396	395
Franchise and property expenses	29	25	26	29	37	117	108	101
Franchise advertising and other services expense	104	-	-	-	-	-	-	-
Other (income) expense	(1)	1	1	1	-	3	11	7
Total costs and expenses, net	437	525	527	534	543	2,129	2,354	2,387
Operating Profit	\$ 221	\$ 207	\$ 243	\$ 260	\$ 271	\$ 981	\$ 871	\$ 835

System sales growth

Reported	12%	3%	5%	8%	6%	5%	3%	(3)%
Ex/FX	6%	5%	7%	7%	4%	6%	7%	5%
Ex/FX and 53 rd week	N/A	N/A	N/A	N/A	6%	6%	6%	N/A

Company sales	\$ 245	\$ 475	\$ 492	\$ 498	\$ 463	\$ 1,928	\$ 2,156	\$ 2,191
Franchisee sales	6,084	5,160	5,279	5,784	6,364	22,587	21,086	20,437
System Sales	\$ 6,329	\$ 5,635	\$ 5,771	\$ 6,282	\$ 6,827	\$ 24,515	\$ 23,242	\$ 22,628

System Same Store Sales Growth	2%	2%	3%	4%	3%	3%	2%	1%
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Net Unit Growth	157	73	138	209	424	844	657	568
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* See accompanying "Notes to Historical Financial Summary".

YUM! Brands, Inc.
Pizza Hut Division Operating Results
(in millions)

	2018	2017				2016	2015	
	Q1 (unaudited)	Q1 (unaudited)	Q2 (unaudited)	Q3 (unaudited)	Q4 (unaudited)	FY	FY	
Revenues								
Company sales	\$ 24	\$ 90	\$ 81	\$ 55	\$ 59	\$ 285	\$ 493	\$ 601
Franchise and property revenues	149	144	141	148	175	608	615	604
Franchise contributions for advertising and other services	78	-	-	-	-	-	-	-
Total revenues	251	234	222	203	234	893	1,108	1,205
Costs and Expenses, Net								
Company restaurant expenses	24	85	73	54	59	271	452	543
General and administrative expenses	50	53	54	44	60	211	242	262
Franchise and property expenses	11	13	10	21	24	68	48	45
Franchise advertising and other services expense	78	-	-	-	-	-	-	-
Other (income) expense	-	-	-	2	-	2	(1)	4
Total costs and expenses, net	163	151	137	121	143	552	741	854
Operating Profit	\$ 88	\$ 83	\$ 85	\$ 82	\$ 91	\$ 341	\$ 367	\$ 351

System sales growth

Reported	6%	(2)%	0%	3%	(1)%	0%	0%	(1)%
Ex/FX	2%	0%	2%	3%	(2)%	1%	2%	3%
Ex/FX and 53 rd week	N/A	N/A	N/A	N/A	1%	2%	1%	N/A

Company sales	\$ 24	\$ 90	\$ 81	\$ 55	\$ 59	\$ 285	\$ 493	\$ 601
Franchisee sales	3,008	2,782	2,746	2,911	3,310	11,749	11,526	11,398
System Sales	\$ 3,032	\$ 2,872	\$ 2,827	\$ 2,966	\$ 3,369	\$ 12,034	\$ 12,019	\$ 11,999

System Same Store Sales Growth	1%	(3)%	(1)%	1%	1%	0%	(2)%	0%
Net Unit Growth (Decline)	48	34	(2)	99	197	328	336	474

* See accompanying "Notes to Historical Financial Summary".

YUM! Brands, Inc.
Taco Bell Division Operating Results
(in millions)

	2018	2017				2016	2015	
	Q1 (unaudited)	Q1 (unaudited)	Q2 (unaudited)	Q3 (unaudited)	Q4 (unaudited)	FY	FY	
Revenues								
Company sales	\$ 243	\$ 337	\$ 336	\$ 318	\$ 368	\$ 1,359	\$ 1,540	\$ 1,544
Franchise and property revenues	128	114	120	124	163	521	485	447
Franchise contributions for advertising and other services	91	-	-	-	-	-	-	-
Total revenues	462	451	456	442	531	1,880	2,025	1,991
Costs and Expenses, Net								
Company restaurant expenses	194	263	260	249	282	1,054	1,198	1,200
General and administrative expenses	40	42	39	41	66	188	211	221
Franchise and property expenses	6	5	5	6	6	22	21	23
Franchise advertising and other services expense	90	-	-	-	-	-	-	-
Other (income) expense	-	-	-	(1)	(2)	(3)	-	1
Total costs and expenses, net	330	310	304	295	352	1,261	1,430	1,445
Operating Profit	\$ 132	\$ 141	\$ 152	\$ 147	\$ 179	\$ 619	\$ 595	\$ 546
System sales growth								
Reported	4%	12%	7%	6%	(2)%	5%	6%	8%
Ex/FX	4%	12%	7%	6%	(2)%	5%	6%	8%
Ex/FX and 53 rd week	N/A	N/A	N/A	N/A	3%	7%	5%	N/A
Company sales	\$ 243	\$ 337	\$ 336	\$ 318	\$ 368	\$ 1,359	\$ 1,540	\$ 1,544
Franchisee sales	2,104	1,925	2,037	2,105	2,719	8,786	8,120	7,558
System Sales	\$ 2,347	\$ 2,262	\$ 2,373	\$ 2,423	\$ 3,087	\$ 10,145	\$ 9,660	\$ 9,102
System Same Store Sales Growth	1%	8%	4%	3%	2%	4%	2%	5%
Net Unit Growth	34	36	38	52	111	237	199	203

* See accompanying "Notes to Historical Financial Summary".

System Same Store Sales Growth

	KFC		Pizza Hut		Taco Bell	
	QTD	YTD	QTD	YTD	QTD	YTD
	%	%	%	%	%	%
Q1 2018	2%		1%		1%	
Q4 2017	3%	3%	1%	0%	2%	4%
Q3 2017	4%		1%		3%	
Q2 2017	3%		-1%		4%	
Q1 2017	2%		-3%		8%	
Q4 2016	2%	2%	-3%	-2%	3%	2%
Q3 2016	2%		-1%		3%	
Q2 2016	3%		-1%		-1%	
Q1 2016	3%		-1%		1%	
Q4 2015	3%	1%	0%	0%	4%	5%
Q3 2015	5%		1%		4%	
Q2 2015	-2%		-1%		6%	
Q1 2015	-1%		-1%		6%	

Global Unit Count by Brand & Market & Ownership Type
1st Quarter 2018

YTD

	EM vs. DEV Classification	KFC Franchise &			Pizza Hut Franchise &			Taco Bell Franchise &			Total
		Company	License	Total	Company	License	Total	Company	License	Total	
Albania	EM	-	2	2	-	-	-	-	-	-	2
Angola	EM	-	9	9	-	1	1	-	-	-	10
Antigua	EM	-	3	3	-	-	-	-	-	-	3
Argentina	EM	-	6	6	-	-	-	-	-	-	6
Armenia	EM	-	8	8	-	2	2	-	-	-	10
Aruba	DEV	-	4	4	-	3	3	-	3	3	10
Australia	DEV	55	585	640	-	300	300	-	1	1	941
Austria	DEV	-	6	6	-	-	-	-	-	-	6
Azerbaijan	EM	-	8	8	-	2	2	-	-	-	10
Bahamas	EM	-	12	12	-	4	4	-	-	-	16
Bahrain	EM	-	24	24	-	15	15	-	-	-	39
Bangladesh	EM	-	19	19	-	16	16	-	-	-	35
Barbados	EM	-	13	13	-	-	-	-	-	-	13
Belarus	EM	-	12	12	-	-	-	-	-	-	12
Belgium	DEV	-	-	-	-	109	109	-	-	-	109
Bermuda	DEV	-	1	1	-	-	-	-	-	-	1
Bolivia	EM	-	3	3	-	-	-	-	-	-	3
Bonaire	DEV	-	1	1	-	-	-	-	-	-	1
Botswana	EM	-	10	10	-	2	2	-	-	-	12
Brazil	EM	14	32	46	6	168	174	-	20	20	240
Brunei	EM	-	16	16	-	15	15	-	-	-	31
Bulgaria	EM	-	24	24	-	-	-	-	-	-	24
Cambodia	EM	-	12	12	-	-	-	-	-	-	12
Canada	DEV	-	644	644	-	403	403	2	30	32	1,079
Chile	EM	-	63	63	-	58	58	-	9	9	130
China	EM	-	5,602	5,602	-	2,214	2,214	-	3	3	7,819
Colombia	EM	-	62	62	-	11	11	-	4	4	77
Costa Rica	EM	-	40	40	-	58	58	-	38	38	136
Croatia	EM	-	7	7	-	-	-	-	-	-	7
Curacao	DEV	-	7	7	-	4	4	-	-	-	11
Cyprus	DEV	-	25	25	-	36	36	-	4	4	65
Czech Republic	DEV	-	85	85	-	2	2	-	-	-	87
Denmark	DEV	-	7	7	-	-	-	-	-	-	7
Dominica	EM	-	1	1	-	-	-	-	-	-	1
Dominican Republic	EM	-	21	21	-	28	28	-	15	15	64
Ecuador	EM	-	133	133	-	38	38	-	-	-	171
Egypt	EM	-	158	158	-	75	75	-	-	-	233
El Salvador	EM	-	7	7	-	57	57	-	6	6	70
Finland	DEV	-	-	-	-	9	9	-	3	3	12
France	DEV	21	205	226	-	149	149	-	-	-	375
Georgia	EM	-	5	5	-	-	-	-	-	-	5
Germany	DEV	-	163	163	-	73	73	-	-	-	236
Ghana	EM	-	14	14	-	5	5	-	-	-	19
Gibraltar	DEV	-	-	-	-	1	1	-	-	-	1
Grand Cayman	DEV	-	3	3	-	2	2	-	-	-	5
Greece	DEV	-	8	8	-	16	16	-	-	-	24
Grenada	EM	-	4	4	-	2	2	-	-	-	6
Guadeloupe	DEV	-	5	5	-	2	2	-	-	-	7
(a) Guam	DEV	-	7	7	-	6	6	-	7	7	20
Guatemala	EM	-	7	7	-	51	51	-	54	54	112
Guyana	EM	-	3	3	-	4	4	-	-	-	7
Honduras	EM	-	14	14	-	51	51	-	-	-	65

	EM vs. DEV Classification	KFC Franchise &			Pizza Hut Franchise &			Taco Bell Franchise &			Total
		Company	License	Total	Company	License	Total	Company	License	Total	
Hong Kong	DEV	-	72	72	-	109	109	-	-	-	181
Hungary	EM	-	50	50	-	13	13	-	-	-	63
Iceland	DEV	-	8	8	-	1	1	-	-	-	9
India	EM	95	252	347	-	374	374	4	13	17	738
Indonesia	EM	-	626	626	-	406	406	-	-	-	1,032
Iraq	EM	-	8	8	-	7	7	-	-	-	15
Ireland	DEV	-	40	40	-	22	22	-	-	-	62
Israel	DEV	-	-	-	-	87	87	-	-	-	87
Italy	DEV	-	19	19	-	-	-	-	-	-	19
Jamaica	EM	-	35	35	-	11	11	-	-	-	46
Japan	DEV	-	1,151	1,151	-	378	378	-	8	8	1,537
Jordan	EM	-	29	29	-	18	18	-	-	-	47
Kazakhstan	EM	-	41	41	-	1	1	-	-	-	42
Kyrgyzstan	EM	-	1	1	-	-	-	-	-	-	1
Kenya	EM	-	18	18	-	6	6	-	-	-	24
Korea	DEV	-	195	195	-	321	321	-	16	16	532
Kosovo	EM	-	7	7	-	-	-	-	-	-	7
Kuwait	EM	-	66	66	-	60	60	-	7	7	133
Latvia	DEV	-	1	1	-	1	1	-	-	-	2
Lebanon	EM	-	25	25	-	20	20	-	-	-	45
Lesotho	EM	-	7	7	-	-	-	-	-	-	7
Lithuania	DEV	-	3	3	-	1	1	-	-	-	4
Luxembourg	DEV	-	-	-	-	9	9	-	-	-	9
Malawi	EM	-	2	2	-	-	-	-	-	-	2
Malaysia	EM	-	689	689	-	389	389	-	-	-	1,078
Malta	DEV	-	3	3	-	5	5	-	-	-	8
Martinique	DEV	-	1	1	-	-	-	-	-	-	1
Mauritius	EM	-	21	21	-	7	7	-	-	-	28
Mexico	EM	-	353	353	-	245	245	-	-	-	598
Military - Africa	DEV (Military)	-	-	-	-	1	1	-	-	-	1
(a) Military - Asia	DEV (Military)	-	1	1	-	19	19	-	21	21	41
Military - Europe	DEV (Military)	-	-	-	-	9	9	-	14	14	23
Military - Iberia	DEV (Military)	-	1	1	-	-	-	-	-	-	1
Military - Latin America	DEV (Military)	-	-	-	-	1	1	-	1	1	2
Military - MENA	DEV (Military)	-	-	-	-	8	8	-	5	5	13
Moldova	EM	-	2	2	-	-	-	-	-	-	2
Mongolia	EM	-	11	11	-	12	12	-	-	-	23
Morocco	EM	-	17	17	-	46	46	-	-	-	63
Mozambique	EM	-	14	14	-	3	3	-	-	-	17
Myanmar	EM	-	22	22	-	6	6	-	-	-	28
Namibia	EM	-	21	21	-	-	-	-	-	-	21
Nepal	EM	-	6	6	-	4	4	-	-	-	10
Netherlands	DEV	-	58	58	-	3	3	-	3	3	64
New Zealand	DEV	-	100	100	-	97	97	-	-	-	197
Nicaragua	EM	-	-	-	-	17	17	-	-	-	17
Nigeria	EM	-	21	21	-	-	-	-	-	-	21
Norway	DEV	-	-	-	-	2	2	-	-	-	2
Oman	EM	-	35	35	-	40	40	-	-	-	75
Pakistan	EM	-	76	76	-	89	89	-	-	-	165
Panama	EM	-	41	41	-	42	42	-	11	11	94
Paraguay	EM	-	2	2	-	19	19	-	-	-	21
Peru	EM	-	120	120	-	88	88	-	-	-	208
Philippines	EM	-	313	313	-	195	195	-	7	7	515
Poland	EM	-	246	246	-	101	101	-	-	-	347
Portugal	DEV	-	23	23	-	93	93	-	-	-	116
Puerto Rico	DEV	-	86	86	-	53	53	-	36	36	175

	EM vs. DEV Classification	KFC Franchise & License			Pizza Hut Franchise & License			Taco Bell Franchise & License			Total
		Company	License	Total	Company	License	Total	Company	License	Total	
Qatar	EM	-	41	41	-	36	36	-	-	-	77
Romania	EM	-	70	70	-	39	39	-	2	2	111
Russia	EM	224	410	634	16	38	54	-	-	-	688
(a) Saipan	DEV	-	1	1	-	1	1	-	-	-	2
Saudi Arabia	EM	-	232	232	-	223	223	-	-	-	455
Serbia	EM	-	7	7	-	-	-	-	-	-	7
Singapore	DEV	-	85	85	-	80	80	-	-	-	165
Slovakia	DEV	-	4	4	-	1	1	-	-	-	5
Slovenia	DEV	-	1	1	-	-	-	-	-	-	1
South Africa	EM	55	832	887	1	55	56	-	-	-	943
Spain	DEV	-	114	114	-	25	25	-	39	39	178
Sri Lanka	EM	-	31	31	-	55	55	-	1	1	87
StKitts	EM	-	1	1	-	-	-	-	-	-	1
StLucia	EM	-	4	4	-	-	-	-	-	-	4
StMaarten	DEV	-	3	3	-	1	1	-	-	-	4
StVincent	EM	-	2	2	-	-	-	-	-	-	2
Suriname	EM	-	5	5	-	2	2	-	-	-	7
Swaziland	EM	-	7	7	-	-	-	-	-	-	7
Sweden	DEV	-	5	5	-	20	20	-	-	-	25
Switzerland	DEV	-	1	1	-	-	-	-	-	-	1
Taiwan	DEV	-	141	141	-	222	222	-	-	-	363
Tanzania	EM	-	5	5	-	5	5	-	-	-	10
Thailand	EM	-	631	631	-	116	116	-	-	-	747
Trinidad	EM	-	57	57	-	9	9	-	-	-	66
Tunisia	EM	-	1	1	-	4	4	-	-	-	5
Turkey	EM	-	133	133	-	36	36	-	-	-	169
Uganda	EM	-	8	8	-	5	5	-	-	-	13
UK	DEV	107	764	871	39	648	687	-	24	24	1,582
Ukraine	EM	-	13	13	-	-	-	-	-	-	13
United Arab Emirates	EM	-	140	140	-	99	99	-	-	-	239
United States	DEV	54	4,042	4,096	53	7,443	7,496	599	5,873	6,472	18,064
USVI	DEV	-	5	5	-	1	1	-	-	-	6
Venezuela	EM	-	24	24	-	9	9	-	-	-	33
Vietnam	EM	-	131	131	-	67	67	-	-	-	198
West Bank	EM	-	9	9	-	4	4	-	-	-	13
Zambia	EM	-	4	4	-	5	5	-	-	-	9
Zimbabwe	EM	-	6	6	-	1	1	-	-	-	7
TOTAL		625	21,019	21,644	115	16,681	16,796	605	6,278	6,883	45,323

Unit Count Summary:

Total Global EM Unit Count	EM	388	12,335	12,723	23	5,904	5,927	4	190	194	18,844
Total Global DEV Unit Count	DEV	237	8,684	8,921	92	10,777	10,869	601	6,088	6,689	26,479
Total Global Unit Count		625	21,019	21,644	115	16,681	16,796	605	6,278	6,883	45,323

Market Count Summary:

Total Global EM Market Count	EM	4	90	90	3	67	67	1	14	14	91
Total Global DEV Market Count	DEV	4	42	42	2	40	40	2	13	13	48
Total Global Market Count		8	132	132	5	107	107	3	27	27	139

(a) - For PH, units physically located in Guam, Saipan, and Asia Military are managed by the US.

Notes to Historical Financial Summary

Note 1: Consult our filings with the Securities and Exchange Commission for additional details about our financial results.

Note 2: Non-GAAP financial results should not be considered replacements for, and should be read together with, the most comparable GAAP financial results. For full financial data and non-GAAP reconciliations, please refer to our filings with the Securities and Exchange Commission.

Note 3: Definitions of terms reflected in this summary are available at *investors.yum.com*.

Note 4: We have reclassified certain other items in the Financial Statements for the prior periods to be comparable with the classification for the quarter ended March 31, 2018.

Note 5: Unless otherwise noted, results include the impact of a 53rd week in our 2016 fiscal year.

Note 6: Beginning with the quarter ended March 31, 2018, we adopted Topic 606 – Revenues from Contracts with Customers using the modified retrospective method. Therefore, the comparative information for fiscal 2017 and prior years have not been adjusted and continue to be reported under our accounting policies related to revenue recognition prior to adopting Topic 606 ("Legacy GAAP"). As a result of the adoption of Topic 606, Operating Profit for the quarter ended March 31, 2018 was \$4 million higher than what would have been recognized

Note 7: On February 7, 2018 one of our subsidiaries entered into an investment agreement to purchase shares of Grubhub common stock. In the quarter ended March 31, 2018, we recognized income of \$66 million related to the mark-to-market of this investment agreement.