

Yum!

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



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

	2018			2017				2016	2015	
	Q1 (unaudited)	Q2 (unaudited)	YTD (unaudited)	Q1 (unaudited)	Q2 (unaudited)	Q3 (unaudited)	Q4 (unaudited)	FY	FY	
Revenues										
Company sales	\$ 512	\$ 512	\$ 1,024	\$ 902	\$ 909	\$ 871	\$ 890	\$ 3,572	\$ 4,189	\$ 4,336
Franchise and property revenues	584	584	1,168	515	539	565	687	2,306	2,167	2,082
Franchise contributions for advertising and other services	275	272	547	-	-	-	-	-	-	-
Total revenues	1,371	1,368	2,739	1,417	1,448	1,436	1,577	5,878	6,356	6,418
Costs and Expenses, Net										
Company restaurant expenses	438	421	859	758	748	717	731	2,954	3,489	3,627
General and administrative expenses	219	208	427	237	247	215	300	999	1,129	1,058
Franchise and property expenses	47	40	87	46	54	61	76	237	201	240
Franchise advertising and other services expense	272	274	546	-	-	-	-	-	-	-
Refranchising (gain) loss	(156)	(29)	(185)	(111)	(19)	(201)	(752)	(1,083)	(163)	23
Other (income) expense	(2)	5	3	3	(1)	1	7	10	18	36
Total costs and expenses, net	818	919	1,737	933	1,029	793	362	3,117	4,674	4,984
Operating Profit	553	449	1,002	484	419	643	1,215	2,761	1,682	1,434
Investment (income) expense, net	(66)	(23)	(89)	(1)	(1)	(1)	(2)	(5)	(2)	-
Other pension (income) expense	3	3	6	28	4	10	5	47	32	40
Interest expense, net	107	112	219	110	105	110	120	445	307	141
Income before income taxes	509	357	866	347	311	524	1,092	2,274	1,345	1,253
Income tax provision	76	36	112	67	105	106	656	934	327	327
Income from continuing operations	433	321	754	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	N/A	N/A	625	357
Net Income - YUM! Brands, Inc.	\$ 433	\$ 321	\$ 754	\$ 280	\$ 206	\$ 418	\$ 436	\$ 1,340	\$ 1,643	\$ 1,283
Basic EPS										
Reported EPS	\$ 1.30	\$ 0.99	\$ 2.30	\$ 0.78	\$ 0.59	\$ 1.21	\$ 1.29	\$ 3.86	\$ 2.58	\$ 2.13
Weighted average shares used in computation	332	324	328	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	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	N/A	N/A	394	435
Diluted EPS										
Reported EPS	\$ 1.27	\$ 0.97	\$ 2.25	\$ 0.77	\$ 0.58	\$ 1.18	\$ 1.26	\$ 3.77	\$ 2.54	\$ 2.09
Weighted average shares used in computation	340	331	336	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	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	N/A	N/A	400	443
Company sales	\$ 512	\$ 512	\$ 1,024	\$ 902	\$ 909	\$ 871	\$ 890	\$ 3,572	\$ 4,189	\$ 4,336
Franchisee sales	11,196	11,177	22,373	9,867	10,062	10,800	12,393	43,122	40,732	39,393
System Sales	\$ 11,708	\$ 11,689	\$ 23,397	\$ 10,769	\$ 10,971	\$ 11,671	\$ 13,283	\$ 46,694	\$ 44,921	\$ 43,729
Worldwide System Same Store Sales Growth	1%	1%	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 (unaudited)	Q2 (unaudited)	YTD (unaudited)	Q1 (unaudited)	Q2 (unaudited)	Q3 (unaudited)	Q4 (unaudited)	FY	FY	FY
Revenues										
Company sales	\$ 245	\$ 241	\$ 486	\$ 475	\$ 492	\$ 498	\$ 463	\$ 1,928	\$ 2,156	\$ 2,191
Franchise and property revenues	307	310	617	257	278	296	351	1,182	1,069	1,031
Franchise contributions for advertising and other services	106	100	206	-	-	-	-	-	-	-
Total revenues	658	651	1,309	732	770	794	814	3,110	3,225	3,222
Costs and Expenses, Net										
Company restaurant expenses	220	210	430	410	415	419	395	1,639	1,839	1,884
General and administrative expenses	85	81	166	89	85	85	111	370	396	395
Franchise and property expenses	29	25	54	25	26	29	37	117	108	101
Franchise advertising and other services expense	104	101	205	-	-	-	-	-	-	-
Other (income) expense	(1)	(1)	(2)	1	1	1	-	3	11	7
Total costs and expenses, net	437	416	853	525	527	534	543	2,129	2,354	2,387
Operating Profit	\$ 221	\$ 235	\$ 456	\$ 207	\$ 243	\$ 260	\$ 271	\$ 981	\$ 871	\$ 835

System sales growth

Reported	12%	9%	11%	3%	5%	8%	6%	5%	3%	(3)%
Ex/FX	6%	6%	6%	5%	7%	7%	4%	6%	7%	5%
Ex/FX and 53 rd week	N/A	N/A	N/A	N/A	N/A	N/A	6%	6%	6%	N/A

Company sales	\$ 245	\$ 241	\$ 486	\$ 475	\$ 492	\$ 498	\$ 463	\$ 1,928	\$ 2,156	\$ 2,191
Franchisee sales	6,084	6,065	12,149	5,160	5,279	5,784	6,364	22,587	21,086	20,437
System Sales	\$ 6,329	\$ 6,306	\$ 12,635	\$ 5,635	\$ 5,771	\$ 6,282	\$ 6,827	\$ 24,515	\$ 23,242	\$ 22,628

System Same Store Sales Growth	2%	2%	2%	2%	3%	4%	3%	3%	2%	1%
Net Unit Growth	157	194	351	73	138	209	424	844	657	568

* See accompanying "Notes to Historical Financial Summary".

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

	2018			2017				2016	2015	
	Q1 (unaudited)	Q2 (unaudited)	YTD (unaudited)	Q1 (unaudited)	Q2 (unaudited)	Q3 (unaudited)	Q4 (unaudited)	FY	FY	FY
Revenues										
Company sales	\$ 24	\$ 18	\$ 42	\$ 90	\$ 81	\$ 55	\$ 59	\$ 285	\$ 493	\$ 601
Franchise and property revenues	149	140	289	144	141	148	175	608	615	604
Franchise contributions for advertising and other services	78	75	153	-	-	-	-	-	-	-
Total revenues	251	233	484	234	222	203	234	893	1,108	1,205
Costs and Expenses, Net										
Company restaurant expenses	24	19	43	85	73	54	59	271	452	543
General and administrative expenses	50	46	96	53	54	44	60	211	242	262
Franchise and property expenses	11	8	19	13	10	21	24	68	48	45
Franchise advertising and other services expense	78	77	155	-	-	-	-	-	-	-
Other (income) expense	-	2	2	-	-	2	-	2	(1)	4
Total costs and expenses, net	163	152	315	151	137	121	143	552	741	854
Operating Profit	\$ 88	\$ 81	\$ 169	\$ 83	\$ 85	\$ 82	\$ 91	\$ 341	\$ 367	\$ 351

System sales growth

Reported	6%	2%	4%	(2)%	0%	3%	(1)%	0%	0%	(1)%
Ex/FX	2%	0%	1%	0%	2%	3%	(2)%	1%	2%	3%
Ex/FX and 53 rd week	N/A	N/A	N/A	N/A	N/A	N/A	1%	2%	1%	N/A

Company sales	\$ 24	\$ 18	\$ 42	\$ 90	\$ 81	\$ 55	\$ 59	\$ 285	\$ 493	\$ 601
Franchisee sales	3,008	2,876	5,884	2,782	2,746	2,911	3,310	11,749	11,526	11,398
System Sales	\$ 3,032	\$ 2,894	\$ 5,926	\$ 2,872	\$ 2,827	\$ 2,966	\$ 3,369	\$ 12,034	\$ 12,019	\$ 11,999

System Same Store Sales Growth	1%	(1)%	0%	(3)%	(1)%	1%	1%	0%	(2)%	0%
Net Unit Growth (Decline)	48	27	75	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)	Q2 (unaudited)	YTD (unaudited)	Q1 (unaudited)	Q2 (unaudited)	Q3 (unaudited)	Q4 (unaudited)	FY	FY	FY
Revenues										
Company sales	\$ 243	\$ 253	\$ 496	\$ 337	\$ 336	\$ 318	\$ 368	\$ 1,359	\$ 1,540	\$ 1,544
Franchise and property revenues	128	134	262	114	120	124	163	521	485	447
Franchise contributions for advertising and other services	91	97	188	-	-	-	-	-	-	-
Total revenues	462	484	946	451	456	442	531	1,880	2,025	1,991
Costs and Expenses, Net										
Company restaurant expenses	194	193	387	263	260	249	282	1,054	1,198	1,200
General and administrative expenses	40	41	81	42	39	41	66	188	211	221
Franchise and property expenses	6	6	12	5	5	6	6	22	21	23
Franchise advertising and other services expense	90	96	186	-	-	-	-	-	-	-
Other (income) expense	-	(1)	(1)	-	-	(1)	(2)	(3)	-	1
Total costs and expenses, net	330	335	665	310	304	295	352	1,261	1,430	1,445
Operating Profit	\$ 132	\$ 149	\$ 281	\$ 141	\$ 152	\$ 147	\$ 179	\$ 619	\$ 595	\$ 546

System sales growth

Reported	4%	5%	4%	12%	7%	6%	(2)%	5%	6%	8%
Ex/FX	4%	5%	4%	12%	7%	6%	(2)%	5%	6%	8%
Ex/FX and 53 rd week	N/A	N/A	N/A	N/A	N/A	N/A	3%	7%	5%	N/A

Company sales	\$ 243	\$ 253	\$ 496	\$ 337	\$ 336	\$ 318	\$ 368	\$ 1,359	\$ 1,540	\$ 1,544
Franchisee sales	2,104	2,236	4,340	1,925	2,037	2,105	2,719	8,786	8,120	7,558
System Sales	\$ 2,347	\$ 2,489	\$ 4,836	\$ 2,262	\$ 2,373	\$ 2,423	\$ 3,087	\$ 10,145	\$ 9,660	\$ 9,102

System Same Store Sales Growth	1%	2%	1%	8%	4%	3%	2%	4%	2%	5%
Net Unit Growth	34	22	56	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
	%	%	%	%	%	%
Q2 2018	2%		-1%		2%	
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
2nd Quarter 2018

YTD

	EM vs. DEV Classification	KFC Franchise & Company License Total			Pizza Hut Franchise & Company License Total			Taco Bell Franchise & Company License Total			Total
		Company	License	Total	Company	License	Total	Company	License	Total	
Albania	EM	-	2	2	-	-	-	-	-	-	2
Algeria	EM	-	-	-	-	1	1	-	-	-	1
Angola	EM	-	9	9	-	1	1	-	-	-	10
Antigua	EM	-	2	2	-	-	-	-	-	-	2
Argentina	EM	-	6	6	-	-	-	-	-	-	6
Armenia	EM	-	8	8	-	2	2	-	-	-	10
Aruba	DEV	-	4	4	-	3	3	-	3	3	10
Australia	DEV	53	590	643	-	294	294	-	1	1	938
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	-	13	13	-	-	-	-	-	-	13
Belgium	DEV	-	-	-	-	108	108	-	-	-	108
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	-	172	172	-	21	21	239
Brunei	EM	-	16	16	-	15	15	-	-	-	31
Bulgaria	EM	-	24	24	-	-	-	-	-	-	24
Cambodia	EM	-	11	11	-	-	-	-	-	-	11
Canada	DEV	-	640	640	-	407	407	2	32	34	1,081
Chile	EM	-	64	64	-	58	58	-	9	9	131
China	EM	-	5,696	5,696	-	2,209	2,209	-	3	3	7,908
Colombia	EM	-	62	62	-	11	11	-	3	3	76
Costa Rica	EM	-	42	42	-	59	59	-	38	38	139
Croatia	EM	-	7	7	-	-	-	-	-	-	7
Curacao	DEV	-	7	7	-	4	4	-	-	-	11
Cyprus	DEV	-	25	25	-	35	35	-	4	4	64
Czech Republic	DEV	-	87	87	-	2	2	-	-	-	89
Denmark	DEV	-	9	9	-	-	-	-	-	-	9
Dominica	EM	-	1	1	-	-	-	-	-	-	1
Dominican Republic	EM	-	22	22	-	27	27	-	15	15	64
Ecuador	EM	-	137	137	-	38	38	-	-	-	175
Egypt	EM	-	158	158	-	76	76	-	-	-	234
El Salvador	EM	-	7	7	-	57	57	-	6	6	70
Ethiopia	EM	-	-	-	-	1	1	-	-	-	1
Finland	DEV	-	-	-	-	10	10	-	3	3	13
France	DEV	19	212	231	-	150	150	-	-	-	381
Georgia	EM	-	5	5	-	-	-	-	-	-	5
Germany	DEV	-	166	166	-	74	74	-	-	-	240
Ghana	EM	-	15	15	-	5	5	-	-	-	20
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
Guam	DEV	(a)	7	7	-	6	6	-	7	7	20
Guatemala	EM	-	7	7	-	52	52	-	54	54	113
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	-	74	74	-	110	110	-	-	-	184
Hungary	EM	-	52	52	-	13	13	-	-	-	65
Iceland	DEV	-	8	8	-	1	1	-	-	-	9
India	EM	95	254	349	-	390	390	4	13	17	756
Indonesia	EM	-	631	631	-	424	424	-	-	-	1,055
Iraq	EM	-	8	8	-	7	7	-	-	-	15
Ireland	DEV	-	40	40	-	22	22	-	-	-	62
Israel	DEV	-	-	-	-	88	88	-	-	-	88
Italy	DEV	-	21	21	-	-	-	-	-	-	21
Ivory Coast	EM	-	1	1	-	-	-	-	-	-	1
Jamaica	EM	-	35	35	-	11	11	-	-	-	46
Japan	DEV	-	1,145	1,145	-	386	386	-	8	8	1,539
Jordan	EM	-	28	28	-	18	18	-	-	-	46
Kazakhstan	EM	-	45	45	-	1	1	-	-	-	46
Kyrgyzstan	EM	-	2	2	-	-	-	-	-	-	2
Kenya	EM	-	18	18	-	6	6	-	-	-	24
Korea	DEV	-	196	196	-	323	323	-	16	16	535
Kosovo	EM	-	9	9	-	-	-	-	-	-	9
Kuwait	EM	-	66	66	-	61	61	-	7	7	134
Latvia	DEV	-	1	1	-	-	-	-	-	-	1
Lebanon	EM	-	25	25	-	21	21	-	-	-	46
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	-	388	388	-	-	-	1,077
Maldives	EM	-	-	-	-	1	1	-	-	-	1
Malta	DEV	-	3	3	-	5	5	-	-	-	8
Martinique	DEV	-	1	1	-	-	-	-	-	-	1
Mauritius	EM	-	21	21	-	7	7	-	-	-	28
Mexico	EM	-	356	356	-	247	247	-	-	-	603
Military - Africa	DEV (Military)	-	-	-	-	1	1	-	-	-	1
(a) Military - Asia	DEV (Military)	-	1	1	-	20	20	-	21	21	42
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	-	24	24	-	6	6	-	-	-	30
Namibia	EM	-	21	21	-	-	-	-	-	-	21
Nepal	EM	-	7	7	-	3	3	-	-	-	10
Netherlands	DEV	-	58	58	-	3	3	-	3	3	64
New Zealand	DEV	-	100	100	-	98	98	-	-	-	198
Nicaragua	EM	-	-	-	-	17	17	-	-	-	17
Nigeria	EM	-	21	21	-	-	-	-	-	-	21
Norway	DEV	-	-	-	-	2	2	-	-	-	2
Oman	EM	-	35	35	-	40	40	-	-	-	75
Pakistan	EM	-	78	78	-	87	87	-	-	-	165
Panama	EM	-	42	42	-	43	43	-	11	11	96
Paraguay	EM	-	2	2	-	19	19	-	-	-	21
Peru	EM	-	121	121	-	89	89	-	1	1	211
Philippines	EM	-	319	319	-	195	195	-	7	7	521
Poland	EM	-	248	248	-	110	110	-	-	-	358
Portugal	DEV	-	25	25	-	92	92	-	-	-	117
Puerto Rico	DEV	-	84	84	-	53	53	-	36	36	173

	EM vs. DEV Classification	KFC Franchise &			Pizza Hut Franchise &			Taco Bell Franchise &			Total
		Company	License	Total	Company	License	Total	Company	License	Total	
Qatar	EM	-	41	41	-	36	36	-	-	-	77
Romania	EM	-	72	72	-	40	40	-	2	2	114
Russia	EM	230	433	663	-	57	57	-	-	-	720
(a) Saipan	DEV	-	1	1	-	1	1	-	-	-	2
Saudi Arabia	EM	-	230	230	-	222	222	-	-	-	452
Serbia	EM	-	7	7	-	-	-	-	-	-	7
Singapore	DEV	-	86	86	-	80	80	-	-	-	166
Slovakia	DEV	-	4	4	-	-	-	-	-	-	4
Slovenia	DEV	-	1	1	-	-	-	-	-	-	1
South Africa	EM	55	834	889	1	54	55	-	-	-	944
Spain	DEV	-	121	121	-	26	26	-	43	43	190
Sri Lanka	EM	-	31	31	-	55	55	-	1	1	87
StKitts	EM	-	1	1	-	-	-	-	-	-	1
StLucia	EM	-	4	4	-	-	-	-	-	-	4
StMaarten	DEV	-	3	3	-	-	-	-	-	-	3
StVincent	EM	-	2	2	-	-	-	-	-	-	2
Suriname	EM	-	5	5	-	2	2	-	-	-	7
Swaziland	EM	-	7	7	-	-	-	-	-	-	7
Sweden	DEV	-	7	7	-	21	21	-	-	-	28
Switzerland	DEV	-	3	3	-	-	-	-	-	-	3
Taiwan	DEV	-	144	144	-	225	225	-	-	-	369
Tanzania	EM	-	5	5	-	5	5	-	-	-	10
Thailand	EM	-	636	636	-	120	120	-	-	-	756
Trinidad	EM	-	57	57	-	9	9	-	-	-	66
Tunisia	EM	-	2	2	-	5	5	-	-	-	7
Turkey	EM	-	139	139	-	40	40	-	-	-	179
Uganda	EM	-	8	8	-	5	5	-	-	-	13
UK	DEV	83	791	874	39	644	683	-	25	25	1,582
Ukraine	EM	-	14	14	-	-	-	-	-	-	14
United Arab Emirates	EM	-	145	145	-	101	101	-	-	-	246
United States	DEV	54	4,024	4,078	53	7,399	7,452	600	5,886	6,486	18,016
USVI	DEV	-	5	5	-	1	1	-	-	-	6
Venezuela	EM	-	24	24	-	9	9	-	-	-	33
Vietnam	EM	-	130	130	-	72	72	-	-	-	202
West Bank	EM	-	9	9	-	4	4	-	-	-	13
Zambia	EM	-	4	4	-	5	5	-	-	-	9
Zimbabwe	EM	-	6	6	-	1	1	-	-	-	7
TOTAL		603	21,235	21,838	93	16,730	16,823	606	6,299	6,905	45,566

Unit Count Summary:

Total Global EM Unit Count	EM	394	12,513	12,907	1	5,987	5,988	4	191	195	19,090
Total Global DEV Unit Count	DEV	209	8,722	8,931	92	10,743	10,835	602	6,108	6,710	26,476
Total Global Unit Count		603	21,235	21,838	93	16,730	16,823	606	6,299	6,905	45,566

(b) **Market Count Summary:**

Total Global EM Market Count	EM	4	91	91	1	70	70	1	15	15	95
Total Global DEV Market Count	DEV	4	42	42	2	37	37	2	13	13	48
Total Global Market Count		8	133	133	3	107	107	3	28	28	143

(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 June 30, 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 to date ended June 30, 2018 had no impact and year to date ended June 30, 2018 was \$4 million higher than what would have been recognized under Legacy GAAP.

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 and year to date ended June 30, 2018 we recognized income of \$25 million and \$91 million, respectively, which reflects the appreciation in the market price of Grubhub common stock since entering into the agreement less valuation adjustments related to transfer restrictions on the shares.