

Yum! Brands
Restaurant Units Activity Summary
YTD Actual for the period of Q4 2016

	Franchise & License	Company	Total
Total YUM! BRANDS, INC. (1)(2)			
Beginning of Year	39,263	3,159	42,422
New Builds	2,117	199	2,316
Acquisitions	(1)	1	0
Refranchising	427	(427)	0
Closures	(1,050)	(72)	(1,122)
Other	2	(1)	1
End of Period	40,758	2,859	43,617
% of Total	93%	7%	100%
KFC (1)(2)			
Beginning of Year	18,452	1,500	19,952
New Builds	976	120	1,096
Acquisitions	0	0	0
Refranchising	163	(163)	0
Closures	(409)	(35)	(444)
Other	1	(1)	0
End of Period	19,183	1,421	20,604
% of Total	93%	7%	100%
Pizza Hut (1)(2)			
Beginning of Year	15,304	759	16,063
New Builds	881	45	926
Acquisitions	0	0	0
Refranchising	218	(218)	0
Closures	(547)	(33)	(580)
Other	0	0	0
End of Period	15,856	553	16,409
% of Total	97%	3%	100%
Taco Bell (1)			
Beginning of Year	5,507	900	6,407
New Builds	260	34	294
Acquisitions	(1)	1	0
Refranchising	46	(46)	0
Closures	(94)	(4)	(98)
Other	1	0	1
End of Period	5,719	885	6,604
% of Total	87%	13%	100%

(1) Effective January 2016, Yum! Brands integrated its India Division restaurant brands into our global KFC, Pizza Hut and Taco Bell Divisions. Store counts have been restated to include KFC, Pizza Hut, and Taco Bell brand units previously included in the India Division.

(2) On October 31, 2016, Yum! Brands separated its China business. Store counts have been restated to include KFC and Pizza Hut brand units previously included in the China Division.

Yum! Brands
Restaurant Units Activity Summary
KFC Division
YTD Actual for the period of Q4 2016

	Franchise & License	Company	Total
Total U.S.			
Beginning of Year	4,064	206	4,270
New Builds	10	0	10
Acquisitions	0	0	0
Refranchising	4	(4)	0
Closures	(112)	(1)	(113)
Other	0	0	0
End of Period	3,966	201	4,167
% of Total	95%	5%	100%
Total International (1)(2)			
Beginning of Year	14,388	1,294	15,682
New Builds	966	120	1,086
Acquisitions	0	0	0
Refranchising	159	(159)	0
Closures	(297)	(34)	(331)
Other	1	(1)	0
End of Period	15,217	1,220	16,437
% of Total	93%	7%	100%
Total KFC Division (1)(2)			
Beginning of Year	18,452	1,500	19,952
New Builds	976	120	1,096
Acquisitions	0	0	0
Refranchising	163	(163)	0
Closures	(409)	(35)	(444)
Other	1	(1)	0
End of Period	19,183	1,421	20,604
% of Total	93%	7%	100%

(1) Effective January 2016, Yum! Brands integrated its India Division restaurant brands into our global KFC, Pizza Hut and Taco Bell Divisions. Store counts have been restated to include KFC brand units previously included in the India Division.

(2) On October 31, 2016, Yum! Brands separated its China business. Store counts have been restated to include KFC brand units previously included in the China Division.

Yum! Brands
Restaurant Units Activity Summary
Pizza Hut Division
YTD Actual for the period of Q4 2016

	Franchise & License	Company	Total
Total U.S.			
Beginning of Year	7,311	511	7,822
New Builds	159	22	181
Acquisitions	0	0	0
Refranchising	195	(195)	0
Closures	(294)	(20)	(314)
Other	0	0	0
End of Period	7,371	318	7,689
% of Total	96%	4%	100%
Total International (1)(2)			
Beginning of Year	7,993	248	8,241
New Builds	722	23	745
Acquisitions	0	0	0
Refranchising	23	(23)	0
Closures	(253)	(13)	(266)
Other	0	0	0
End of Period	8,485	235	8,720
% of Total	97%	3%	100%
Total Pizza Hut Division (1)(2)			
Beginning of Year	15,304	759	16,063
New Builds	881	45	926
Acquisitions	0	0	0
Refranchising	218	(218)	0
Closures	(547)	(33)	(580)
Other	0	0	0
End of Period	15,856	553	16,409
% of Total	97%	3%	100%

(1) Effective January 2016, Yum! Brands integrated its India Division restaurant brands into our global KFC, Pizza Hut and Taco Bell Divisions. Store counts have been restated to include Pizza Hut brand units previously included in the India Division.

(2) On October 31, 2016, Yum! Brands separated its China business. Store counts have been restated to include Pizza Hut brand units previously included in the China Division.

Yum! Brands
Restaurant Units Activity Summary
Taco Bell Divison
YTD Actual for the period of Q4 2016

	Franchise & License	Company	Total
Total U.S.			
Beginning of Year	5,227	894	6,121
New Builds	207	34	241
Acquisitions	(1)	1	0
Refranchising	46	(46)	0
Closures	(81)	(4)	(85)
Other	1	0	1
End of Period	5,399	879	6,278
% of Total	86%	14%	100%
Total International (1)			
Beginning of Year	280	6	286
New Builds	53	0	53
Acquisitions	0	0	0
Refranchising	0	0	0
Closures	(13)	0	(13)
Other	0	0	0
End of Period	320	6	326
% of Total	98%	2%	100%
Total Taco Bell Division (1)			
Beginning of Year	5,507	900	6,407
New Builds	260	34	294
Acquisitions	(1)	1	0
Refranchising	46	(46)	0
Closures	(94)	(4)	(98)
Other	1	0	1
End of Period	5,719	885	6,604
% of Total	87%	13%	100%

(1) Effective January 2016, Yum! Brands integrated its India Division restaurant brands into our global KFC, Pizza Hut and Taco Bell Divisions. Store counts have been restated to include Taco Bell brand units previously included in the India Division.

DEFINITIONS OF KEY MARKETS

KFC, Pizza Hut and Taco Bell Divisions

The following list of definitions provides the significant KFC, Pizza Hut and Taco Bell Division countries and territories with at least 25 restaurants that are included in key markets that generally follow Yum! business management units for internal reporting purposes. For a complete list of countries and territories please see our detailed store count information available on our website.

Emerging

Asia (ex-China) includes Brunei, Indonesia, Malaysia, Philippines and Vietnam.

Africa includes Mauritius, Nigeria and South Africa.

Continental Europe includes Hungary, Poland and Romania.

India includes India, Bangladesh and Sri Lanka.

Latin America includes Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Mexico, Panama, Peru, Trinidad and Venezuela.

Middle East/Turkey/North Africa includes Bahrain, Egypt, Jordan, Kuwait, Lebanon, Morocco, Oman, Pakistan, Qatar, Saudi Arabia, Turkey and United Arab Emirates.

Russia includes Russia and Kazakhstan.

Thailand

Developed

Asia (ex-China) includes Hong Kong, Japan, Korea, Singapore and Taiwan.

Australia includes Australia and New Zealand.

Continental Europe includes Belgium, Cyprus, Czech Republic, France, Germany, Israel, Netherlands, Portugal and Spain.

Latin America includes Puerto Rico

U.K. includes Great Britain and Ireland.

U.S. includes the continental United States, Alaska and Hawaii.

Canada

2016 FOURTH-QUARTER DEFINITIONS

Emerging Markets include countries that meet the International Monetary Fund (IMF) guidelines for “Emerging” or “Developing” economies.

Ex F/X represents the percentage change excluding the impact of foreign currency translation. These amounts are calculated by translating current-year results at prior-year average exchange rates. We believe elimination of the foreign currency translation impact provides better year-to-year comparability without the distortion of foreign currency fluctuations.

Franchise Restaurants include franchise and license restaurants.

Franchisee Sales represent combined estimated sales of franchise and license restaurants. Franchisee sales, which are not included in the company sales we present on our Consolidated Statements of Income, generate franchise and license fees (typically at a rate of 4% to 6% of sales) that are included in the company’s revenues.

Free Cash Flow represents net cash provided by operating activities and other sources of cash, such as refranchising, employee stock-option proceeds, sales of PP&E and other, less net cash used in investing activities.

New-Restaurant Openings include company-owned, franchise, and license restaurants.

Operating Margin is defined as Operating Profit divided by Total Revenue.

System Restaurants include company-owned, franchise and license restaurants.

System Sales Growth includes the results of all restaurants regardless of ownership, including company-owned, franchise and license restaurants that operate our concepts, except for non-company-owned restaurants for which we do not receive a sales-based royalty. Sales of franchise and license restaurants generate franchise and license fees for the company (typically at a rate of 4% to 6% of sales). Franchise and license restaurant sales are not included in company sales on the Consolidated Statements of Income; however, the franchise and license fees are included in the company’s revenues. We believe system sales growth is useful to investors as a significant indicator of the overall strength of our business as it incorporates all of our revenue drivers, company and franchise same-store sales as well as net unit development.

Same-Store Sales Growth includes the estimated growth in sales of all restaurants that have been open and in the YUM system one year or more.