



NEWS



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**Yum! Brands Reports First-Quarter EPS Growth of 21%, or \$0.76 Per Share, Excluding Special Items;
Strong Sales and Operating Profit Growth Across All Divisions;
Raises Full-Year 2012 EPS Growth Forecast to at least 12%, Excluding Special Items**

Louisville, KY (April 18, 2012) — Yum! Brands Inc. (NYSE: YUM) today reported results for the first quarter ended March 24, 2012 including EPS of \$0.76, excluding Special Items. Reported EPS for the quarter was \$0.96.

FIRST QUARTER HIGHLIGHTS

- Worldwide operating profit grew 15%, prior to foreign currency translation, including 14% in China, 9% at Yum! Restaurants International (YRI) and 27% in the U.S.
- Worldwide system sales grew 7%, prior to foreign currency translation, including 28% in China, 8% at YRI and 1% in the U.S.
 - The 2011 fourth-quarter divestiture of Long John Silver’s (LJS) and A&W All-American Restaurants (A&W) negatively impacted worldwide system sales growth by 2 percentage points, including an impact of 5 percentage points to the U.S. and 1 percentage point to YRI.
- Same-store sales grew 14% in China, 5% at YRI and 5% in the U.S.
- China new unit development set a first-quarter record with 168 new restaurants. Total international development was 297 new restaurants.
- Worldwide restaurant margin increased 1.2 percentage points to 18.6%.
- Foreign currency translation positively impacted operating profit by \$8 million.
- On February 1, 2012, we acquired a controlling interest in Little Sheep Group, Ltd., the leading hot-pot casual-dining concept based in China. Little Sheep operating results for February through April will be included in our second quarter results.

Full-year EPS growth forecast raised to at least 12%, or at least \$3.22, excluding Special Items.

		<u>First Quarter</u>	
	<u>2012</u>	<u>2011</u>	<u>% Change</u>
EPS Excluding Special Items	\$0.76	\$0.63	21%
Special Items Gain/(Loss) ¹	\$0.20	(\$0.09)	NM
EPS	\$0.96	\$0.54	76%

¹ See Reconciliation of Non-GAAP Measurements to GAAP Results for further detail of the Special Items. Special Items for 2012 are primarily related to the Little Sheep acquisition gain, U.S. refranchising gains and Pizza Hut UK impairment.

Note: All comparisons are versus the same period a year ago and exclude Special Items unless noted.

CONFERENCE CALL

Yum! Brands Inc. will host a conference call to review the company's financial performance and strategies at 9:15 a.m. Eastern Time Thursday, April 19, 2012. The number is 877/815-2029 for U.S. callers and 706/645-9271 for international callers.

The call will be available for playback beginning at noon Eastern Time Thursday, April 19, through midnight Thursday, May 3, 2012. To access the playback, dial 855/859-2056 in the United States and 404/537-3406 internationally. The playback pass code is 64974638.

The webcast and the playback can be accessed via the internet by visiting Yum! Brands' Web site, www.yum.com/investors and selecting "Q1 2012 Earnings Conference Call" under "Investment Events." A podcast will be available within 24 hours.

ADDITIONAL INFORMATION ONLINE

Quarter end dates for each division, restaurant-count details, and definitions of terms are available online at www.yum.com under "Investors".

This announcement, any related announcements and the related webcast may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. We intend all forward-looking statements to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. Our forward-looking statements are subject to risks and uncertainties, which may cause actual results to differ materially from those projected. Factors that can cause our actual results to differ materially include, but are not limited to: food borne-illness or food safety issues; economic and political conditions in the countries where we operate; currency exchange and interest rates; commodity, labor and other operating costs; our ability to secure and maintain distribution and adequate supply to our restaurants; the effectiveness of our operating initiatives and marketing; the success of our strategies for franchising and international development; the continued viability and success of our franchise and license operators; publicity that may impact our business and/or industry; pending or future legal claims; the impact of any widespread illness; our effective tax rates; our actuarially determined casualty loss estimates; government regulations; accounting policies and practices; and competition, consumer preferences or perceptions. You should consult our filings with the Securities and Exchange Commission (including the information set forth under the captions "Risk Factors" and "Forward-Looking Statements" in our Annual Report on Form 10-K) for additional detail about factors that could affect our financial and other results. Forward-looking statements are based on current expectations and assumptions and currently available data and are neither predictions nor guarantees of future events or performance. You should not place undue reliance on forward-looking statements, which speak only as of the date hereof. We are not undertaking to update any of these statements.

Yum! Brands, Inc., based in Louisville, Kentucky, is the world's largest restaurant company in terms of system restaurants with over 37,000 restaurants in more than 120 countries and territories. Yum! is ranked #214 on the Fortune 500 List and generated revenues of more than \$12 billion in 2011. The Company's restaurant brands – KFC, Pizza Hut and Taco Bell – are the global leaders of the chicken, pizza and Mexican-style food categories. Outside the United States, the Yum! Brands system opened approximately four new restaurants each day of the year, making it a leader in international retail development.

Analysts are invited to contact

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