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Burger King Holdings, Inc. Reports Third Quarter Results

MIAMI - November 9, 2011 - Burger King Holdings, Inc. today reported results for the third quarter of 2011. System-wide comparable sales grew by 1.6% for the quarter, with international performance driving the positive results. In Latin America comparable sales grew by 10.5% and in Europe, Middle East, Africa and Asia Pacific (EMEA/APAC) by 3.0%. In the U.S. and Canada, comparable sales were relatively flat.

The company's global net restaurant count increased by 59 restaurants. International operating segments accounted for over 90% of the net restaurant increase. The company also completed the refranchising of 35 company restaurants in the U.S. and Canada during the third quarter.

Adjusted EBITDA of $161.0 million was positively impacted by strong international results, improved performance in the U.S. and continued benefits from the company's previously disclosed global restructuring and zero-based budgeting (ZBB) program. Third quarter adjusted EBITDA increased by 39% when compared to adjusted EBITDA of $116.0 million in the same quarter of 2010. The company reported adjusted net income of $56.5 million for the quarter compared to adjusted net income of $49.4 million for the same quarter in the prior year. The company reported net income of $48.1 million for the quarter compared to net income of $63.4 million for the same quarter in the prior year, primarily due to a significant increase in interest expense as a result of the company's debt structure. In addition, the company realized benefits from the sale of its Netherlands entity which positively impacted net income in the prior year.

"We are pleased with our global comparable sales performance and continued growth in adjusted EBITDA. This quarter marks our strongest growth in adjusted EBITDA since the acquisition in October 2010," said Daniel Schwartz, chief financial officer. "In the U.S, we remain focused on enhancing our menu, improving our restaurant image, streamlining operations and revamping our marketing communications process to appeal to a broader consumer base and drive profitable growth."

The company reported third quarter revenues of $608.1 million compared to $600.0 million in the same quarter of 2010, with all operating segments contributing positive results. Revenue increased due to comparable sales growth of 1.6% and the opening of 189 net restaurants over the past 12 months, partially offset by the net refranchising of 49 company restaurants over the same period. Company restaurant margin decreased by 100 bps for the quarter, attributable primarily to an increase in depreciation and amortization charges, and benefits derived from a favorable adjustment to the self-insurance reserve in the prior year.

Third quarter management general and administrative (G&A) expenses decreased by 33% or $31.4 million compared to the prior year. These expense reductions are directly attributable to the benefits derived from the company's global restructuring efforts and the implementation of the ZBB program and are consistent with the company's expectations that overall G&A expenses will decrease on an annual run rate basis by approximately $85 million to $110 million. Total selling, general and administrative expenses for the third quarter decreased by 14% or $17.6 million compared to the same period in the prior year.

As of September 30, 2011 the company's total net debt to adjusted EBITDA ratio was 4.2x for the trailing twelve month period, a 1.5x decrease over the total net debt to adjusted EBITDA ratio of 5.7x as of December 31, 2010. The company's increased cash balance of $468.5 million coupled with the 22% increase in the trailing twelve month adjusted EBITDA drove the improvement.

Looking ahead, the company believes its improved operating cost structure and delivering on its four priorities for North America — marketing communications, menu, operations and image - will position it to enhance the performance of the company and its franchisees.

Internationally, the company's growth strategy remains focused on continuing to grow comparable sales and driving aggressive net restaurant growth.

Investor Conference Call

The company will host an investor conference call and webcast on Wednesday, November 9, 2011 at 4:00 p.m. EDT to review third quarter 2011 financial results. During the call, Chief Financial Officer Daniel Schwartz, Executive Vice President and President of North America Steven Wiborg, and Vice President, Controller and Chief Accounting Officer Jackie Friesner will discuss the company's results for the third quarter of 2011.

The earnings call will be broadcast live via the company's investor relations website at http://investor.bk.com and will be available for replay for 30 days. All persons interested in actively participating during the Q&A portion of the earnings call will need to contact Jackie Friesner at the phone number or e-mail address listed below by 12:00 p.m. EDT on Wednesday, November 9, 2011.

About Burger King Holdings, Inc.

Founded in 1954, BURGER KING® is the second largest fast food hamburger chain in the world. The original HOME OF THE WHOPPER®, the BURGER KING®system operates in approximately 12,400 locations serving over 11 million guests daily in 79 countries and territories worldwide. Approximately 90 percent of BURGER KING® restaurants are owned and operated by independent franchisees, many of them family-owned operations that have been in business for decades. In October 2010, Burger King Corp. was purchased by 3G Capital, a multi-billion dollar, global investment firm focused on long-term value creation, with a particular emphasis on maximizing the potential of brands and businesses. For more information on 3G Capital, please go to http://3gcapital.com/. To learn more about Burger King Corp., please visit the company's website at www.bk.com or follow us on Facebook and Twitter.

Source: Burger King Holdings, Inc.

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