

# 2012 Analyst / Investor Day

September 18, 2012



# Forward Looking Statement

Certain statements in this presentation contains “forward-looking statements” within the meaning of the federal securities laws. Statements regarding future events and developments and our future performance, as well as management’s current expectations, beliefs, plans, estimates or projections relating to the future, are forward-looking statements within the meaning of these laws. These forward-looking statements are subject to a number of risks and uncertainties. Examples of such statements in this presentation include discussions regarding the Company’s planned implementation of its strategic plan, discussions regarding the Company’s planned use of cash for fiscal 2012 including investments in its core business, share repurchases, and debt repayments, projections and expectations regarding same-store sales for fiscal 2012 and beyond, the Company’s ability to improve restaurant level margins, guidance for new restaurant openings and closures, and the Company’s anticipated 2012 and long-term performance, including projections regarding general and administrative expenses, and net earnings per diluted share, and similar statements of belief or expectation regarding future events. Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are: competition from other restaurant concepts and food retailers, continued disruptions in the financial markets, the loss of franchisees and other business partners, labor shortages or increased labor costs, increased costs of our principal food products, changes in consumer preferences and demographic trends, as well as concerns about health or food quality, instances of avian flu or other food-borne illnesses, general economic conditions, the loss of senior management and the inability to attract and retain additional qualified management personnel, limitations on our business under our credit facility, our ability to comply with the repayment requirements, covenants, tests and restrictions contained in our credit facility, failure of our franchisees, a decline in the number of franchised units, a decline in our ability to franchise new units, slowed expansion into new markets, unexpected and adverse fluctuations in quarterly results, increased government regulation, effects of volatile gasoline prices, supply and delivery shortages or interruptions, currency, economic and political factors that affect our international operations, inadequate protection of our intellectual property and liabilities for environmental contamination and the other risk factors detailed in our 2011 Annual Report on Form 10-K and other documents we file with the Securities and Exchange Commission. Therefore, you should not place undue reliance on any forward-looking statements.



# Accelerating the growth of Popeyes



**Cheryl Bachelder**  
Chief Executive Officer



**Dick Lynch**  
Global Brand Officer



**Ralph Bower**  
President



**Mel Hope**  
Chief Financial Officer



**Sonny Cohen**  
Chief General Counsel



**Andrew Skehan**  
Chief Operating Officer  
International



**Lynne Zappone**  
Chief Talent Officer



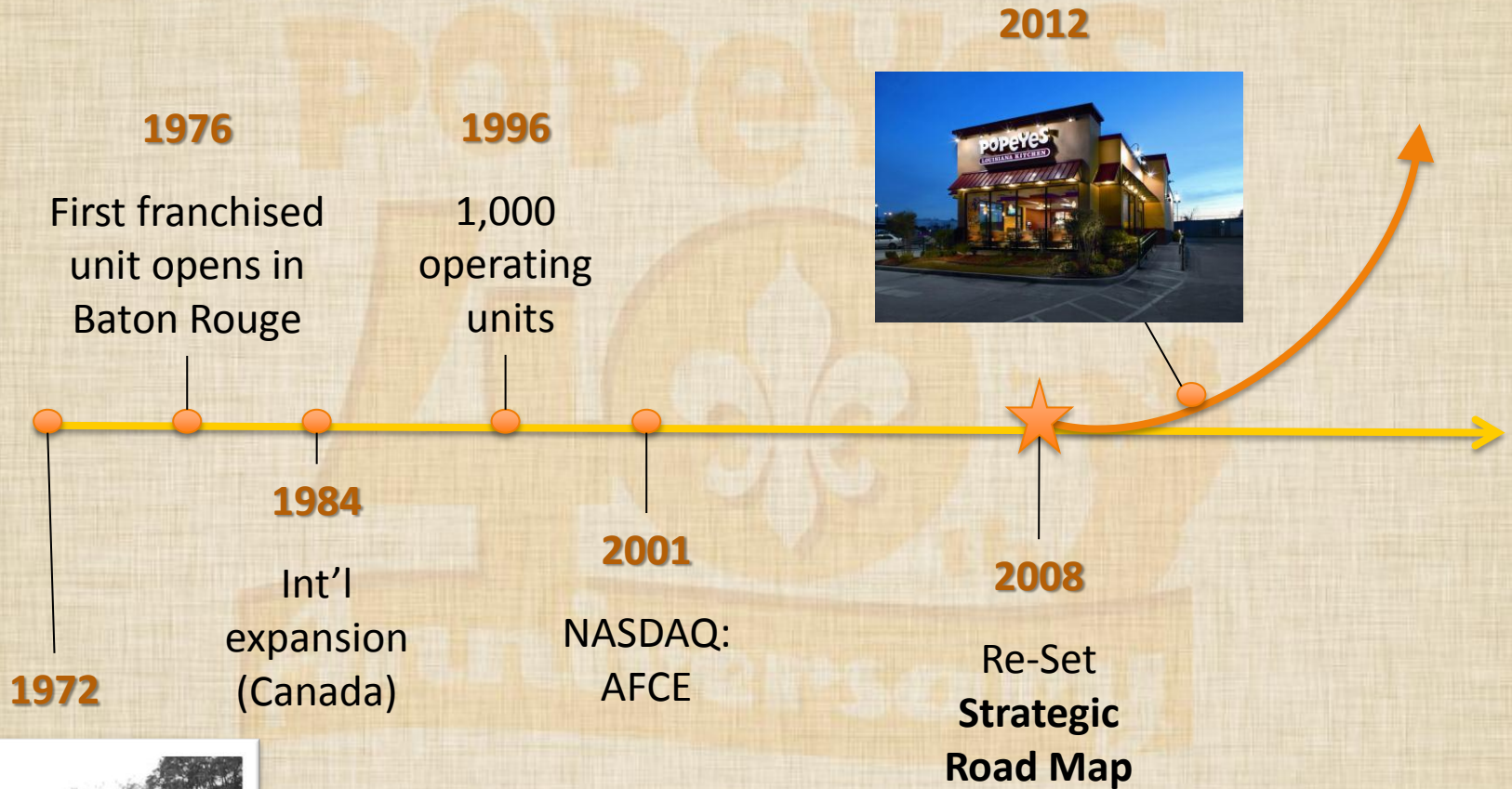
**Alice LeBlanc**  
Chief Quality Assurance &  
Commercialization Officer



**CHERYL BACHELDER**  
**CHIEF EXECUTIVE OFFICER**



# You ain't seen nothing yet....



**Who is our primary customer?**

Guest

Employees

**Franchisees**

Shareholders

Vendors



# ROADMAP TO RESULTS



# Creating a legacy of results

**we are Passionate**  
about what we do

**we Listen** carefully  
& **Learn** continuously

**we are Fact - Based**  
& **Planful**

**Popeyes Purpose**  
Inspire servant leaders to achieve superior results.

**we Coach & Develop** our people

**we are personally Accountable**

**we value Humility**





**DICK LYNCH**

**CHIEF GLOBAL BRAND OFFICER**



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

GOAL:



**Grow AUVs by keeping  
bone-in business strong,  
while growing portable,  
on-the-go meals.**



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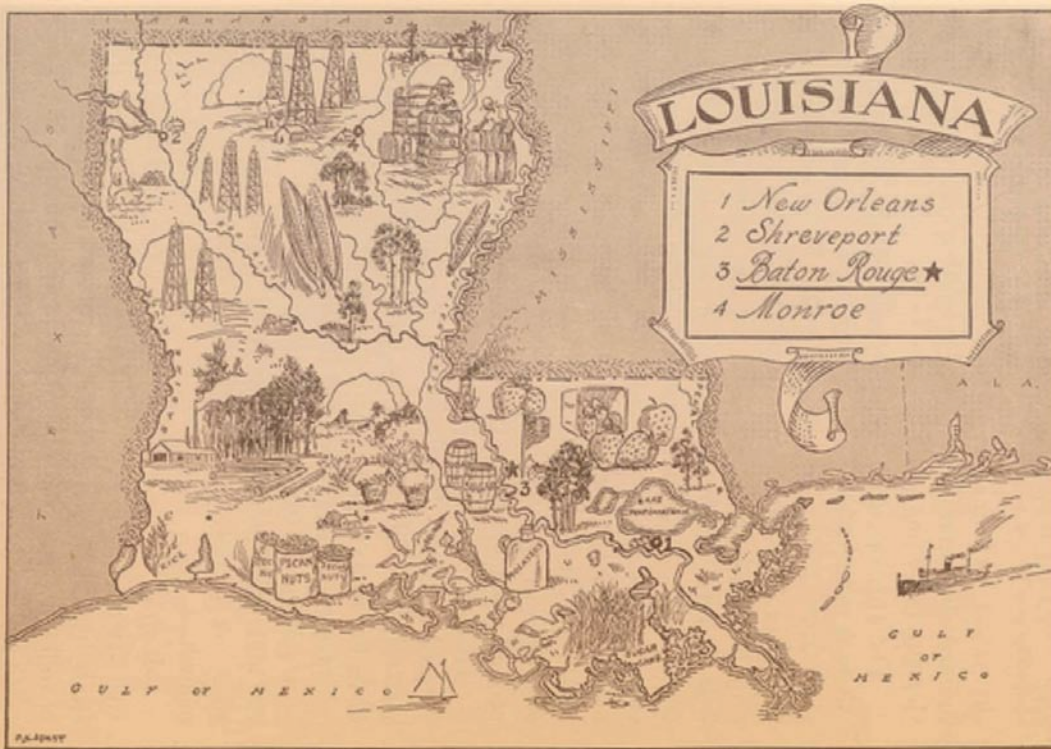
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## ONLY CUISINE INDIGENOUS TO U.S.



### 7 Nations

- ✦ Africa
- ✦ England
- ✦ France
- ✦ Germany
- ✦ Italy
- ✦ Native American
- ✦ Spain



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## BRAND IDENTITY

BEFORE



AFTER



POPEYES®



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## BRAND IDENTITY



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## FOUR MENU PLATFORMS

**BONAFIDE®**

**BONELESS**

**SEAFOOD**

**DISTINCTIVE  
LOUISIANA SIDES**



# ROADMAP TO RESULTS

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Popeyes  
**BONAFIDE**  
chicken

- ✦ **Marinated in Louisiana Seasonings**
- ✦ **Hand-Battered**
- ✦ **Made Fresh**



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## BONELESS



## WICKED CHICKEN

## Dip'n Chick'n

## POPEYES Rip'n Chick'n

## GARLIC PEPPER WICKED CHICKEN

## RED HOT POPCORN CHICKEN





# ROADMAP TO RESULTS

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BUTTERFLY  
SHRIMP  
TACKLE  
BOX

ZATARAIN'S  
BUTTERFLY  
SHRIMP

POPEYES  
CRAWFISH  
FESTIVAL



CAJUN FISH  
& FRIES

SEAFOOD

GARLIC BUTTER  
POPCORN  
SHRIMP



# ROADMAP TO RESULTS

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- ❖ Red Beans & Rice
- ❖ Cajun Fries
- ❖ Mashed Potatoes with Cajun Gravy
- ❖ Dirty Rice
- ❖ Cole Slaw & Others



**DISTINCTIVE  
LOUISIANA SIDES**



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## MESSAGE: "ANNIE"



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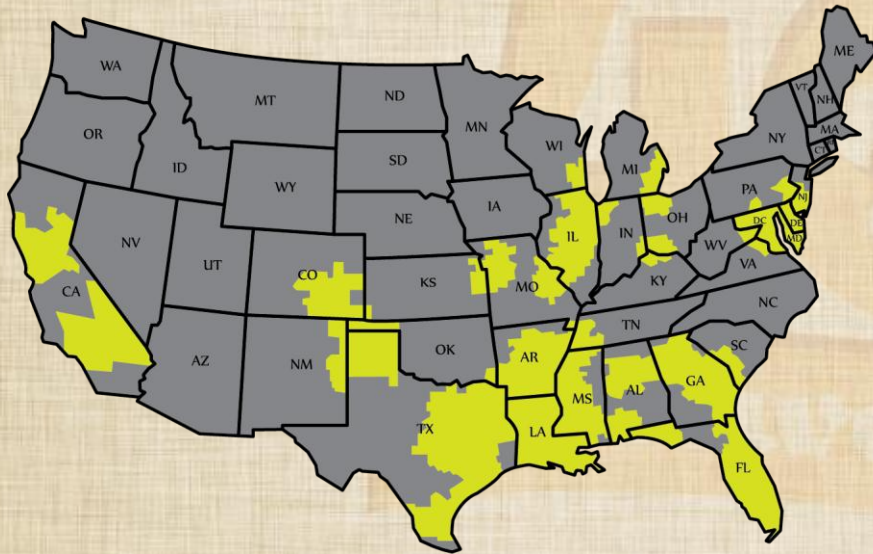
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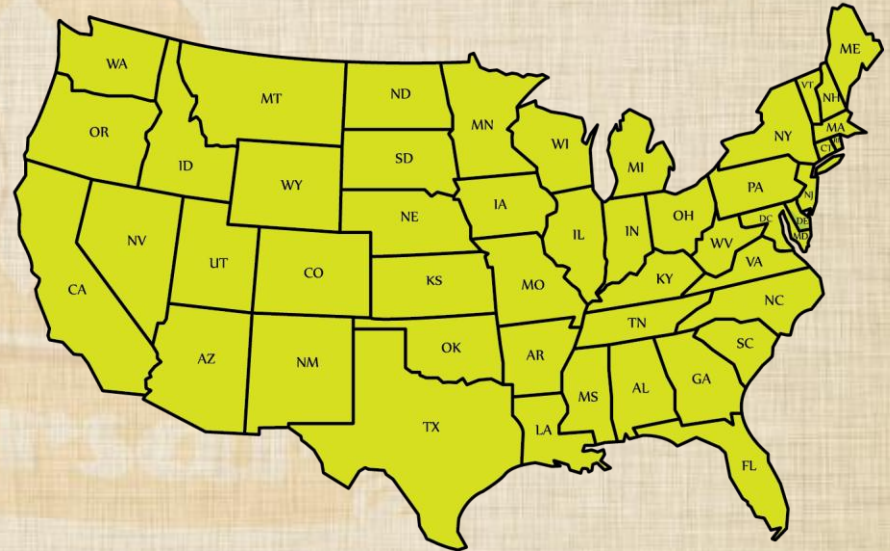
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## MEDIA

TV Media BEFORE  
SPOT TV Less than  
50% of Markets



TV Media AFTER  
National TV



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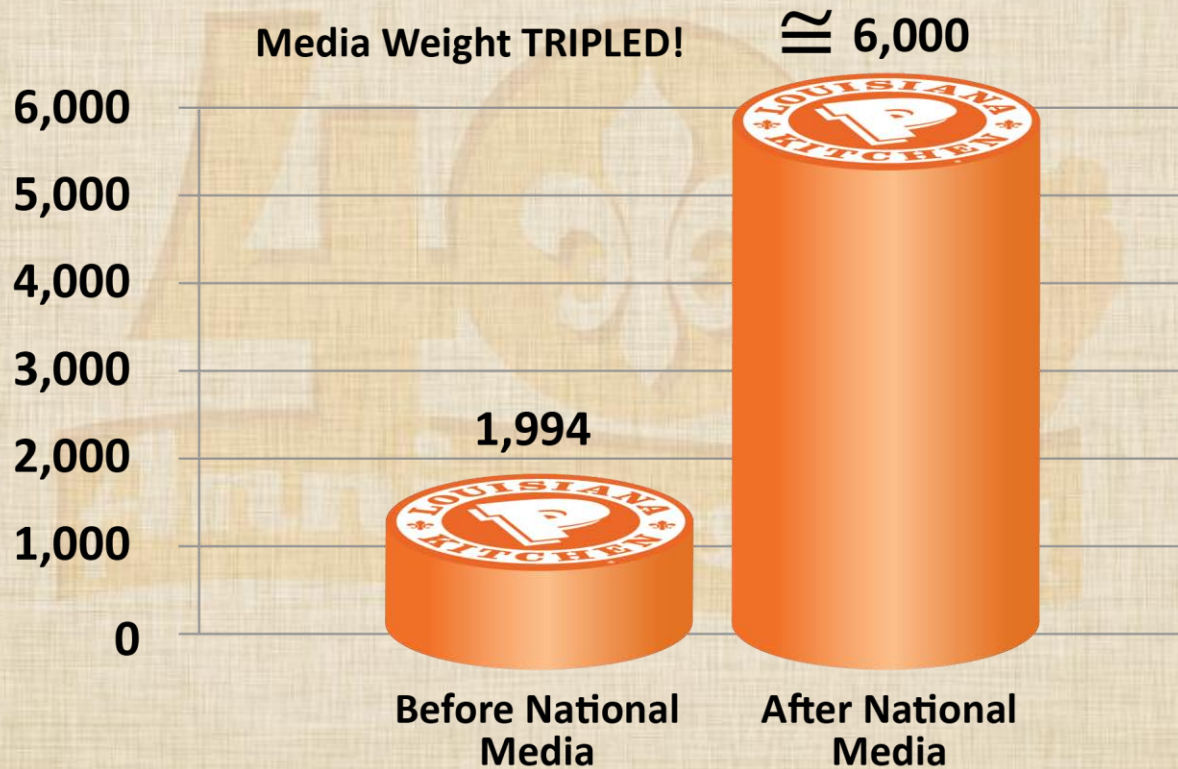
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## MEDIA IMPACT (Target Rating Points)



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## LOUISIANA KITCHEN PLUS NEW IMAGE



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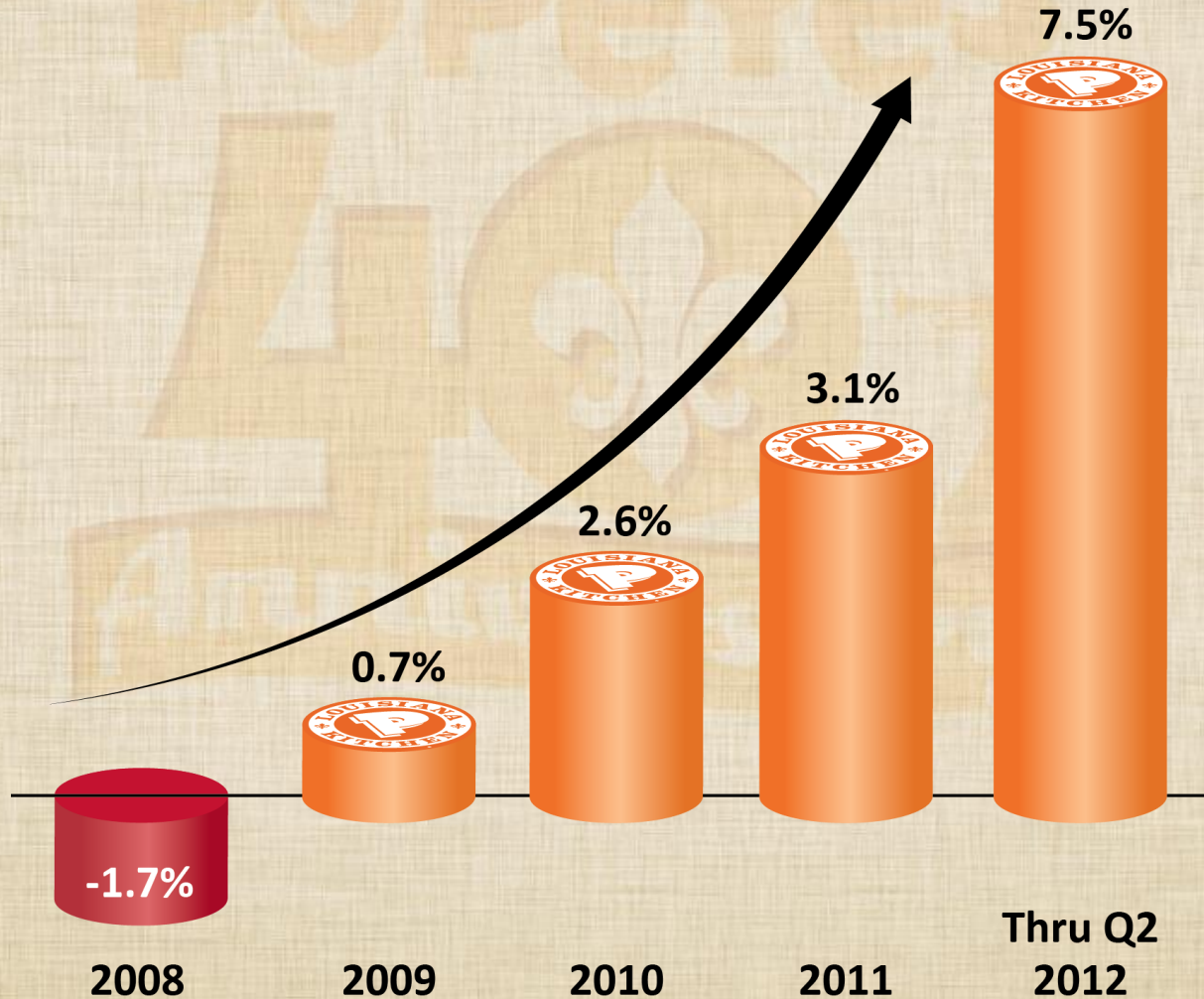
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## GLOBAL SAME-STORE SALES GROWTH



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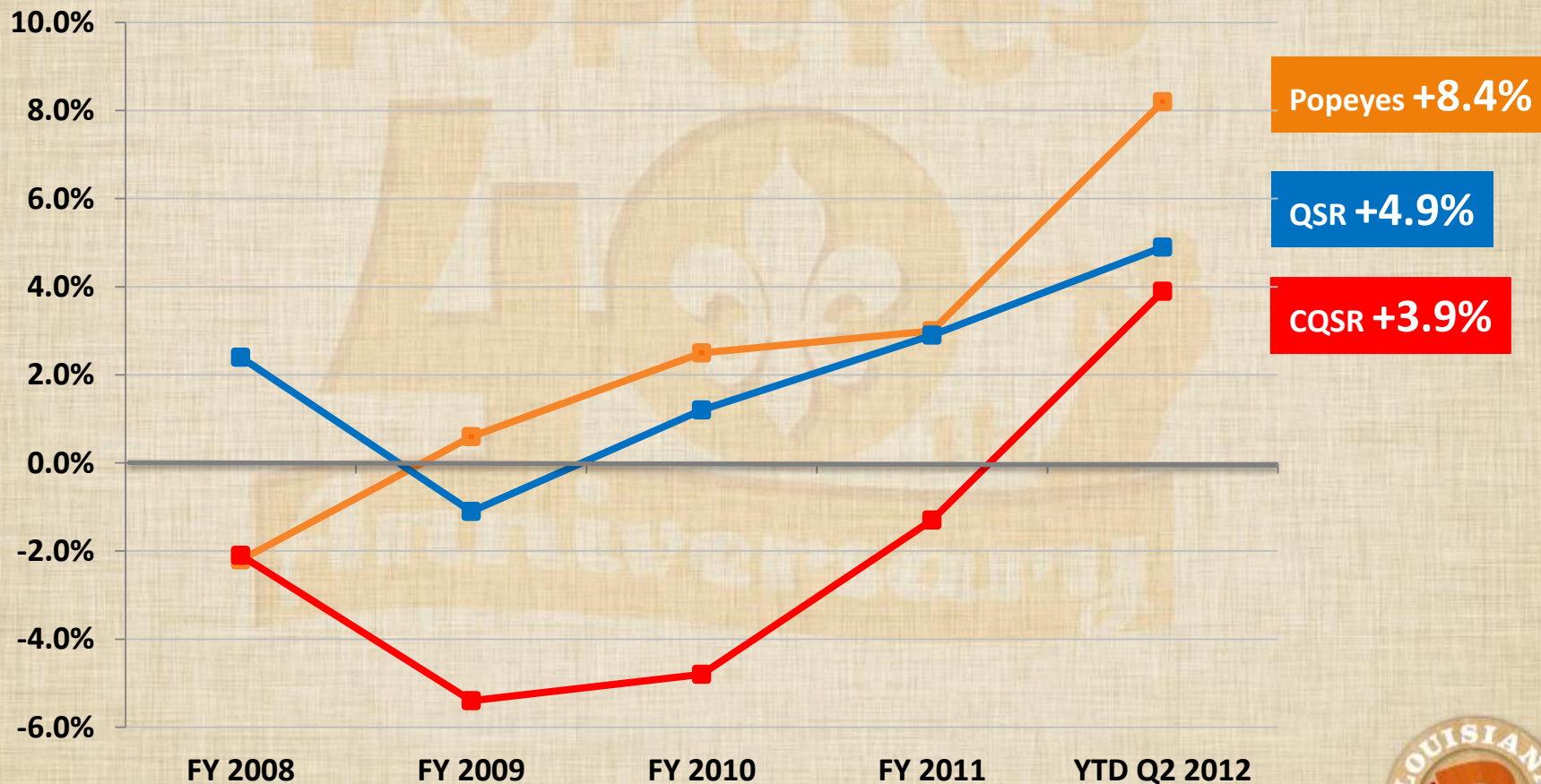
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## Outperforming category





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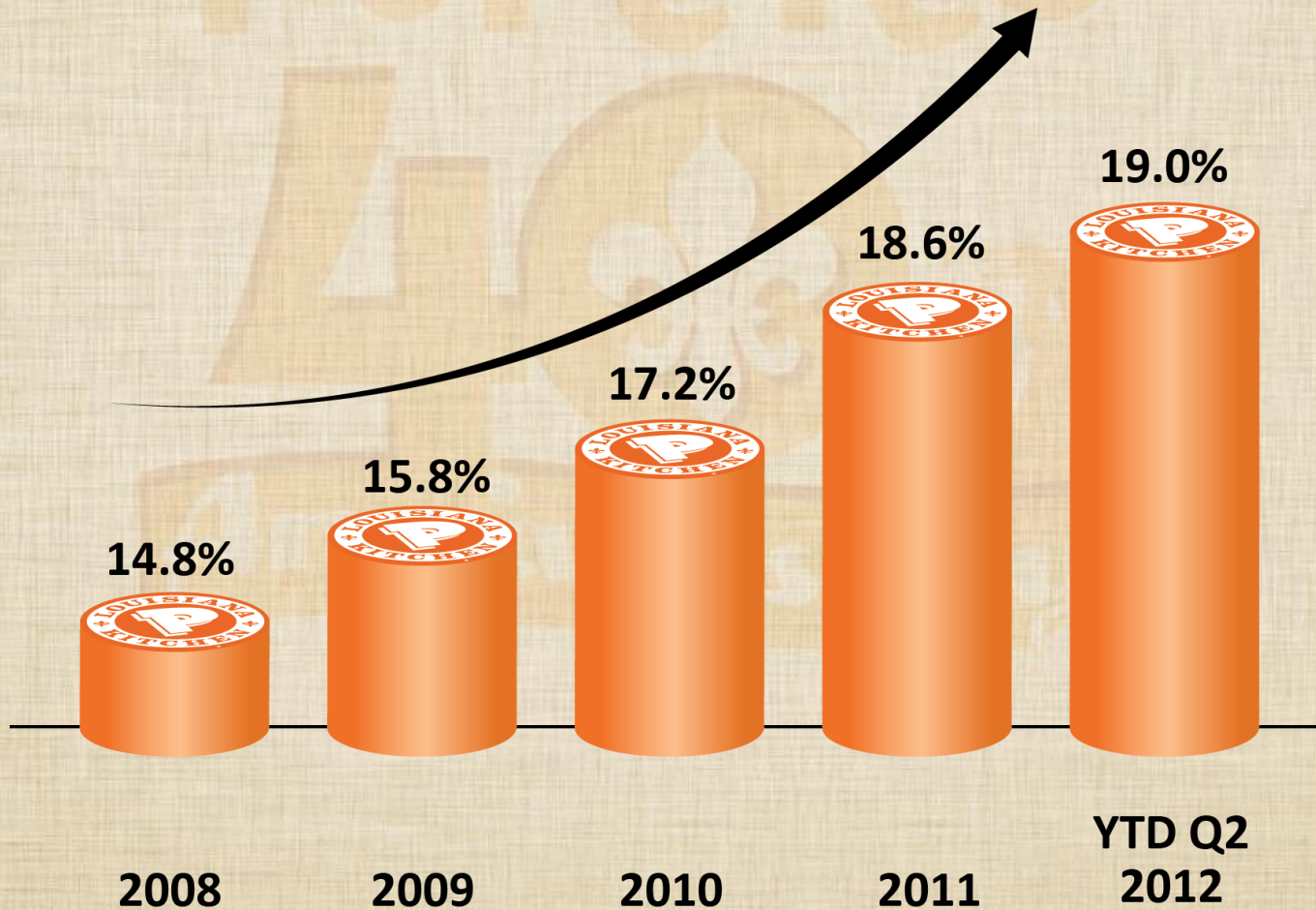
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## GROWING MARKET SHARE Popeyes Share of Domestic C-QSR



# ROADMAP TO RESULTS

BUILD DISTINCTIVE BRAND

RUN GREAT RESTAURANTS

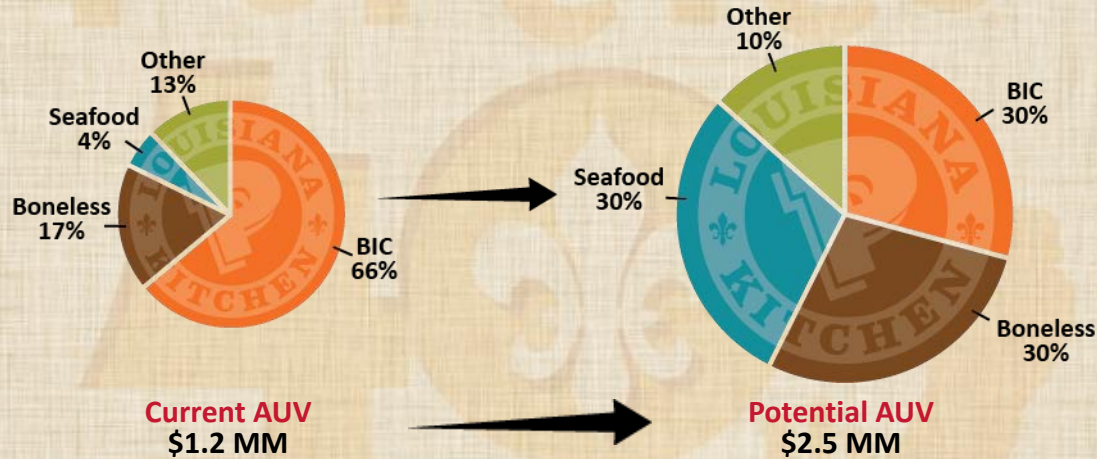
GROW RESTAURANT PROFITS

ACCELERATE QUALITY RESTAURANTS

CREATE A CULTURE OF SERVANT LEADERS

## YOU AIN'T SEEN NOTHIN' YET...

### AUV POTENTIAL



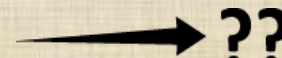
### PIPELINE



### MEDIA

National Media Flights

Year	2010	2011	2012
Flights	5	6	8



**RALPH BOWER**  
**PRESIDENT**



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GOAL:



**Drive an industry-leading,  
top-tier guest service  
experience**



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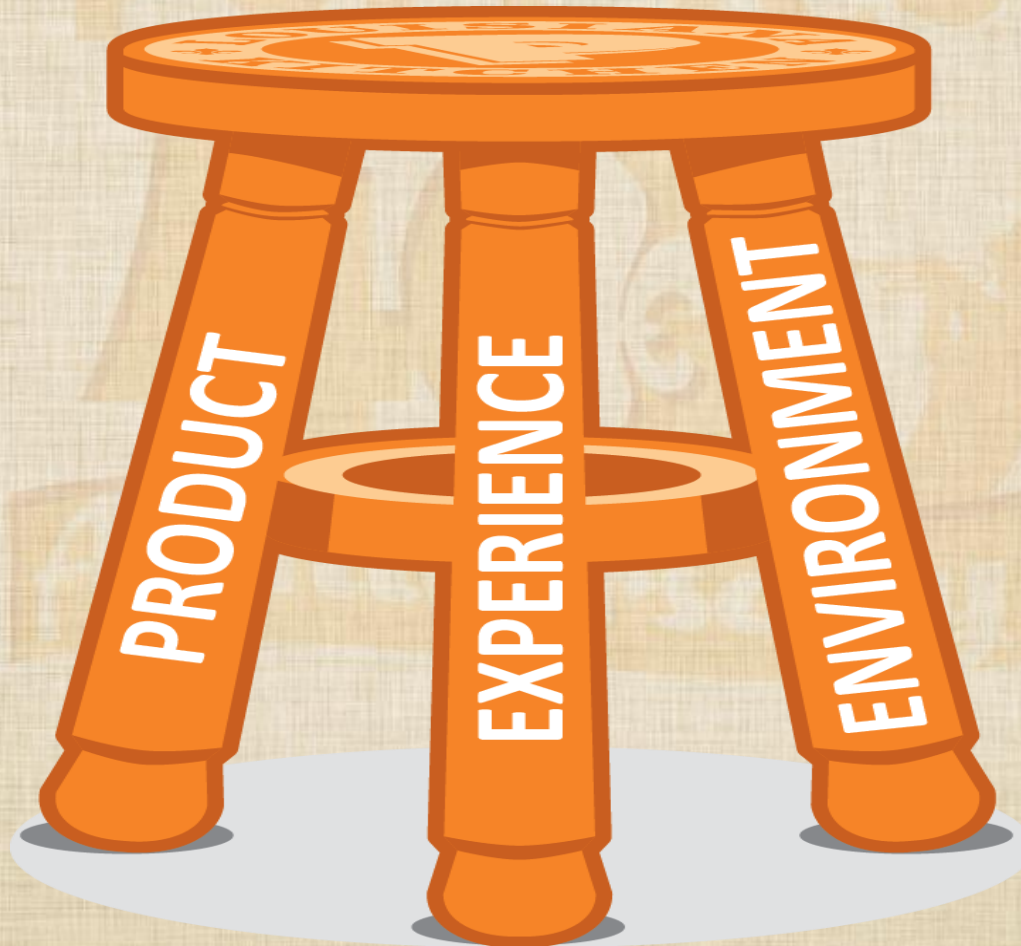
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**Product + Experience + Environment = Value**



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## Move what you measure

- Metric Moving Scorecard
- Guest Experience Monitor
- Speed of Service training program
- Restaurant data collection



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## Metric Moving Scorecard

Guest	% delighted Friendliness Service with speed Order accuracy
People	Certified managers Servsafe managers
Operations	Assessment total Food safety score Quick Check Score
Sales	Net sales vs last year Transactions vs last yr
Profit	P&L submitted quarterly

### 5 Key Areas:

- 📍 Guest
- 📍 People
- 📍 Operations
- 📍 Sales
- 📍 Profit

### Levels Ranked Monthly:

- 📍 Restaurant
- 📍 DMA
- 📍 Territory (Region)
- 📍 Franchisee
- 📍 Field Personnel



# ROADMAP TO RESULTS

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ACCELERATE QUALITY RESTAURANTS

CREATE A CULTURE OF SERVANT LEADERS

P9 - 2012

## Metric Moving Scorecard

Report run: 9/11/2012  
Last assessed: 5/10/2012  
Last P&L target: 8/10/2012

**POPEYES**

	Current period	Quarter to date	Year to date	Weight
<b>Overall Score</b>	3.3  On target	3.5  Above target	3.8  Above target	
<b>Guest</b>	1.8  Below target	1.8  Below target	1.6  Below target	25%
% delighted	66.4%  Below target	65.1%  Below target	67.0%  Below target	15%
Friendliness	64.5%  Below target	61.2%  Below target	59.4%  Sig. below target	5%
Service with speed	59.5%  Sig. below target	57.3%  Sig. below target	58.1%  Sig. below target	5%
<b>People</b>	3.5  Above target	3.5  Above target	3.5  Above target	20%
Certified managers	3  On target	3  On target	3  On target	10%
Servsafe managers	3  Above target	3  Above target	3  Above target	10%
# of Pros	10  Sig. above target	10  Sig. above target	10  Sig. above target	0%
<b>Operations</b>	4.5  Sig. above target	4.5  Sig. above target	4.5  Sig. above target	20%
Assessment total	92.1%  Above target	92.1%  Above target	92.1%  Above target	10%
Food safety score	95.4%  Sig. above target	95.4%  Sig. above target	95.4%  Sig. above target	10%
<b>Sales</b>	2.3  Below target	3.5  Above target	5.0  Sig. above target	20%
Net sales vs last year	98.0%  Below target	102.6%  On target	109.6%  Sig. above target	15%
Transactions vs last yr	101.3%  On target	106.7%  Sig. above target	109.5%  Sig. above target	5%
<b>Profit</b>	5.0  Sig. above target	5.0  Sig. above target	5.0  Sig. above target	15%
P&L submitted quarterly	Yes  Sig. above target	Yes  Sig. above target	100.0%  Sig. above target	5%
Food & Labor Submitted	Yes  Sig. above target	Yes  Sig. above target	100.0%  Sig. above target	10%

### Your QTD ranking

Level	Name	Avg rating	At this level you rank:
System	Total Domestic	3.80	780 of 1635
Region	East	3.70	764 of 1595
Consultant	Bruce Bruno	3.55	239 of 554
DMA	Washington, DC	3.55	30 of 88
Franchisee	Friedlander, Jerry & Strumpf, Ian	3.75	18 of 29

### Legend: Overall score/focus area ratings

Score	Rating
4.50 or higher	Sig. above target
3.5 - 4.4	Above target
2.5 - 3.4	On target
1.5 - 2.4	Below target
less than 1.5	Sig. below target

### Notes

The detailed measure rating scale is provided on a separate page. Your QTD ranking shows where this restaurant ranks at the various levels based on QTD overall score.





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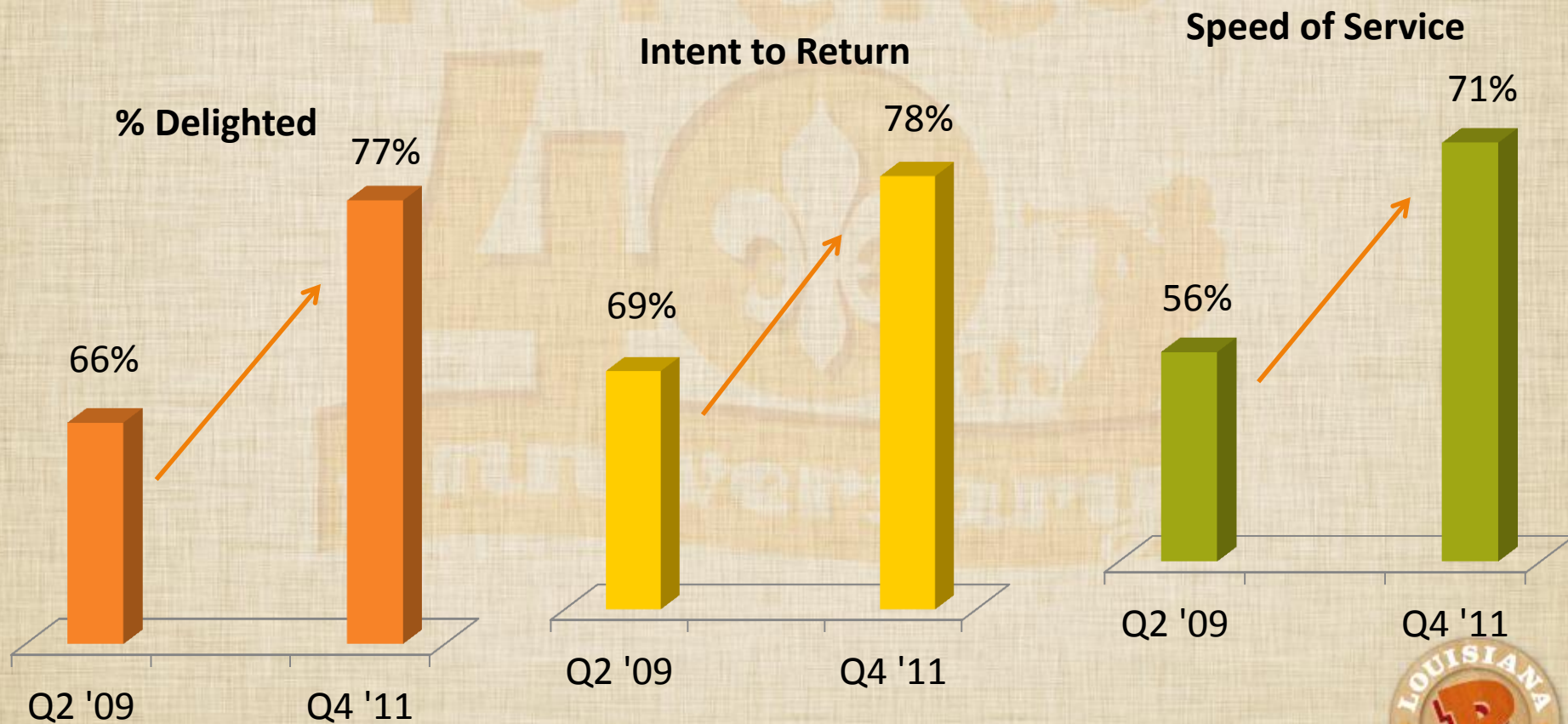
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## Optimizing Guest Experience



## But You Ain't Seen Nothing Yet!

We've only just begun to capture the ops excellence potential.

### 2013 Restaurant Priority

## Maximize Thru-put to Maximize Sales & Profit

#### Leverage technology

- Service System
- Back of House

#### Simplify Operating Systems



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## Louisiana Kitchen Plus Image Transformation



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Louisiana Kitchen Plus Image

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Louisiana Kitchen Plus Image

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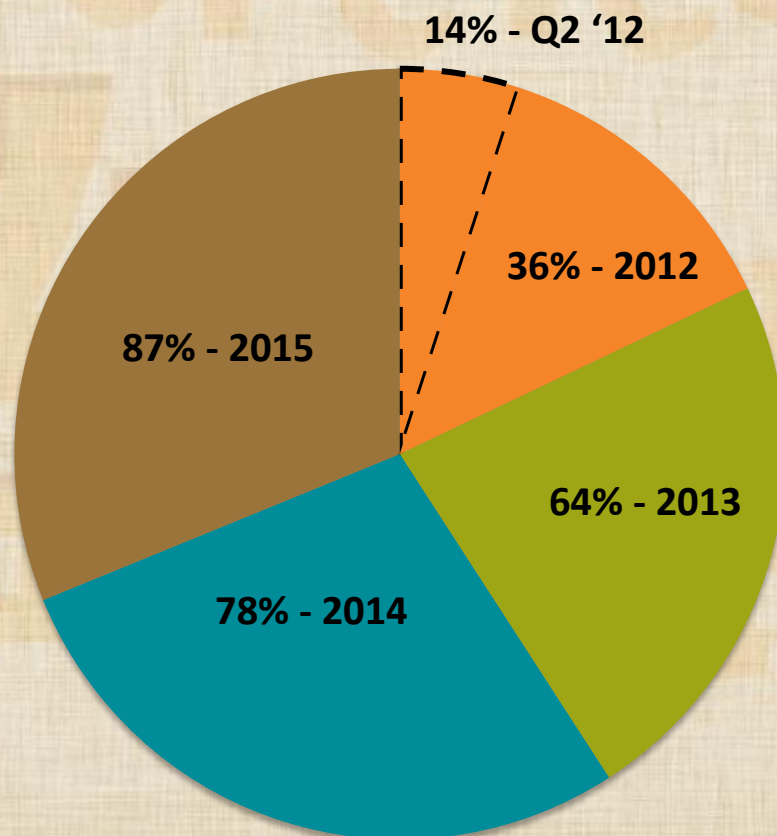
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## But You Ain't Seen Nothing Yet!

Within 3 years almost all our restaurants will feature the new image



**MEL HOPE**  
**CHIEF FINANCIAL OFFICER**





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GOAL:



**Sustain 22% Restaurant  
Operating Profit Margins**



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- Collect >1,200 P&L's quarterly
- Benchmarking at all levels
  - Franchisee
  - Market
  - Region
  - National



## Inside The Four Walls Strategy

Better decision making, data sharing and field analytics

### Software as a Service

- *Theoretical food cost*
- *Production planning*
- *Labor management*

### Benchmarking & Analytical

- *Integrate all data points*
- *Field tracking & accountability*
- *Tracking & resolutions*

### Menu Mix

- *Promotional analysis*
- *Strategic planning*
- *Training to drive profitable mix*



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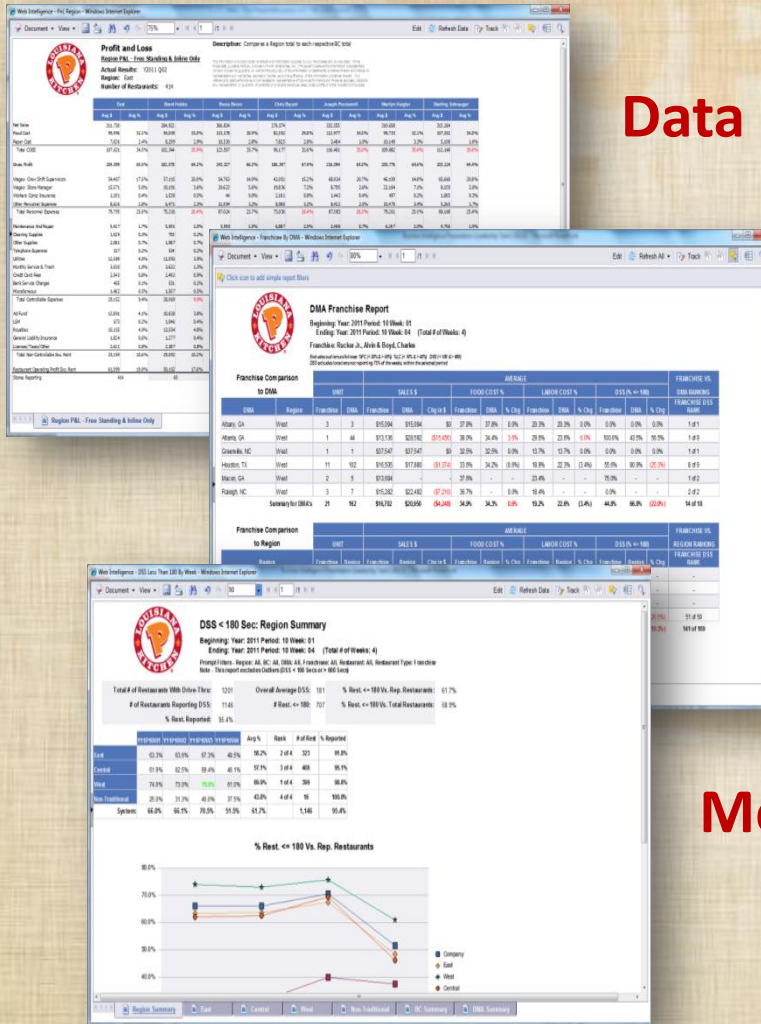
CREATE A CULTURE OF SERVANT LEADERS

## Benchmarking and Analytics

Data collection, automation & analysis

Benchmarking and rack & stack

Measuring Results



## Outside The Four Walls Strategy

Driving costs **OUT OF** the restaurants by  
lowering costs coming **INTO** the restaurants

### Supply Chain

- *Supplier negotiations*
- *Commodity hedging*
- *Alternate / Secondary supply*
- *Logistics & distribution*

### Ancillary Services

- *Service agreements*
- *National procurement programs*
- *Energy reduction*

### Product & Process Controls

- *Product spec. enhancements*
- *Supplier process improvements*



## Outside the Four Walls Projects

- Alternative suppliers
- Renegotiation of contracts
- Secondary sources
- Case pack changes:
  - Bread
  - Sauces
  - Poultry cases
  - Sugar
- Other packaging enhancements
- Optimizing logistics and distribution
- Volume discounts
- Shortening management
- Credit card processing
- National service contracts



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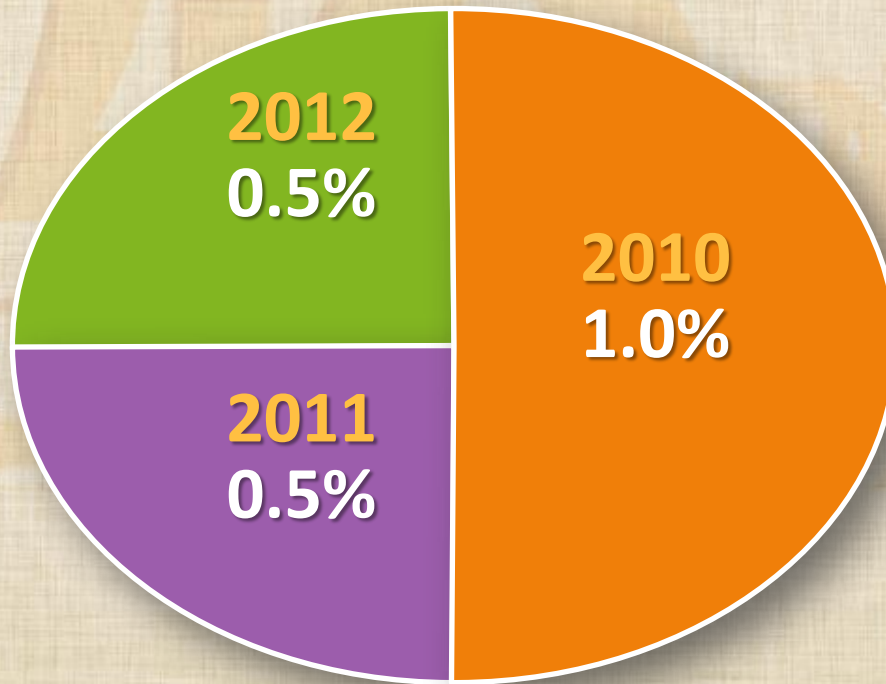
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## Restaurant Cost Savings

2010 - 2012

\$34,000,000 ~ 2% ROP





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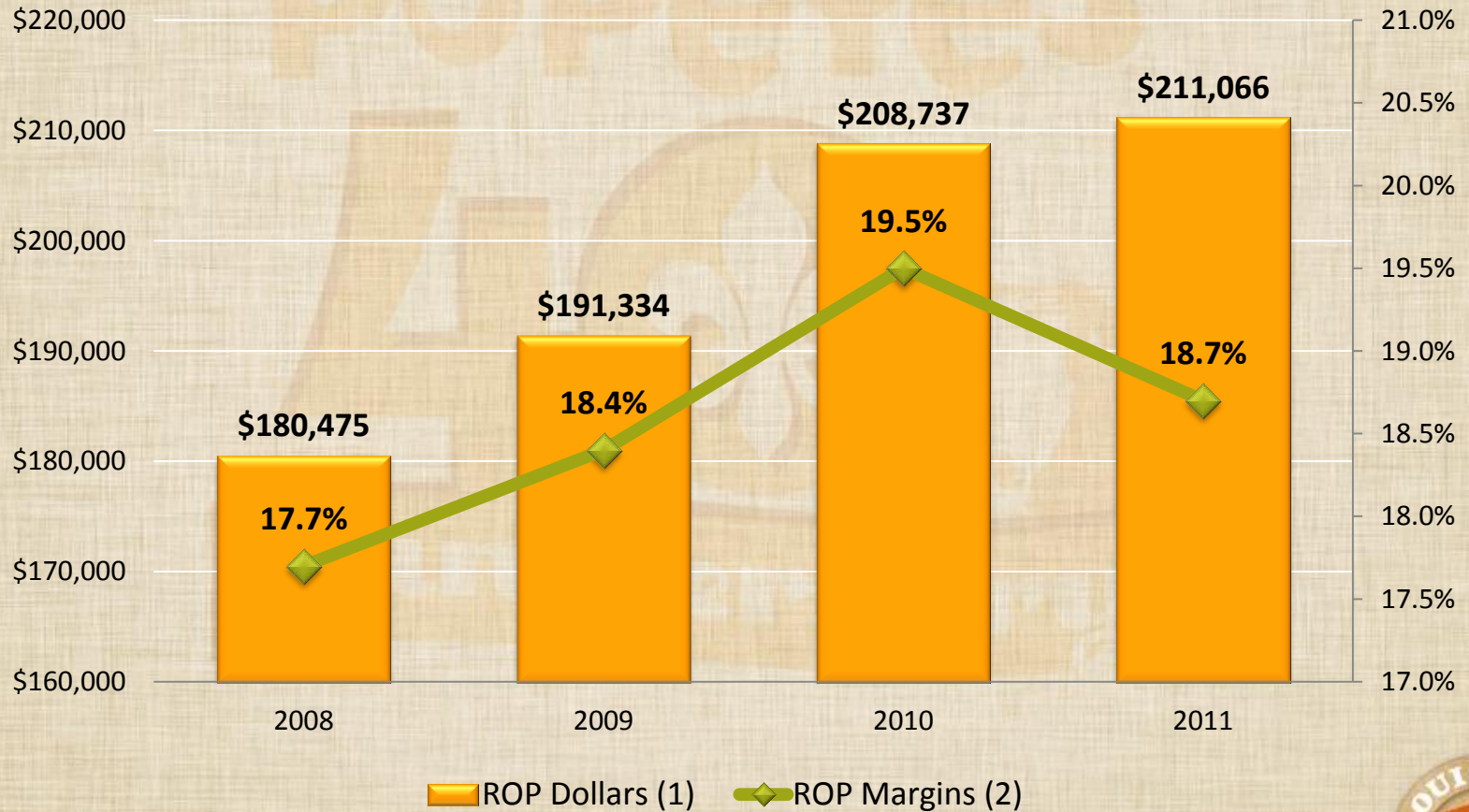
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## Track record of increasing absolute profit dollars



- 1) Restaurant Operating Profit, before Rent, or "ROP" is in actual dollars for domestic free-standing restaurants as reported by franchisees
- 2) "ROP Margin" is calculated as ROP as a percentage of restaurant sales.



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## 2010 Unit Economics

CATEGORY	# of CONCEPTS	EBITDAR %
Casual	7	17.3%
Fast Casual	2	25.1%
Family	4	17.1%
Coffee/Bakery	3	17.2%
Sandwich	13	19.9%
Pizza	3	15.0%
KFC	1	17.0%
Church's Chicken	1	15.0%
Average	35	18.4%

Popeyes  
19.5%



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BRAND

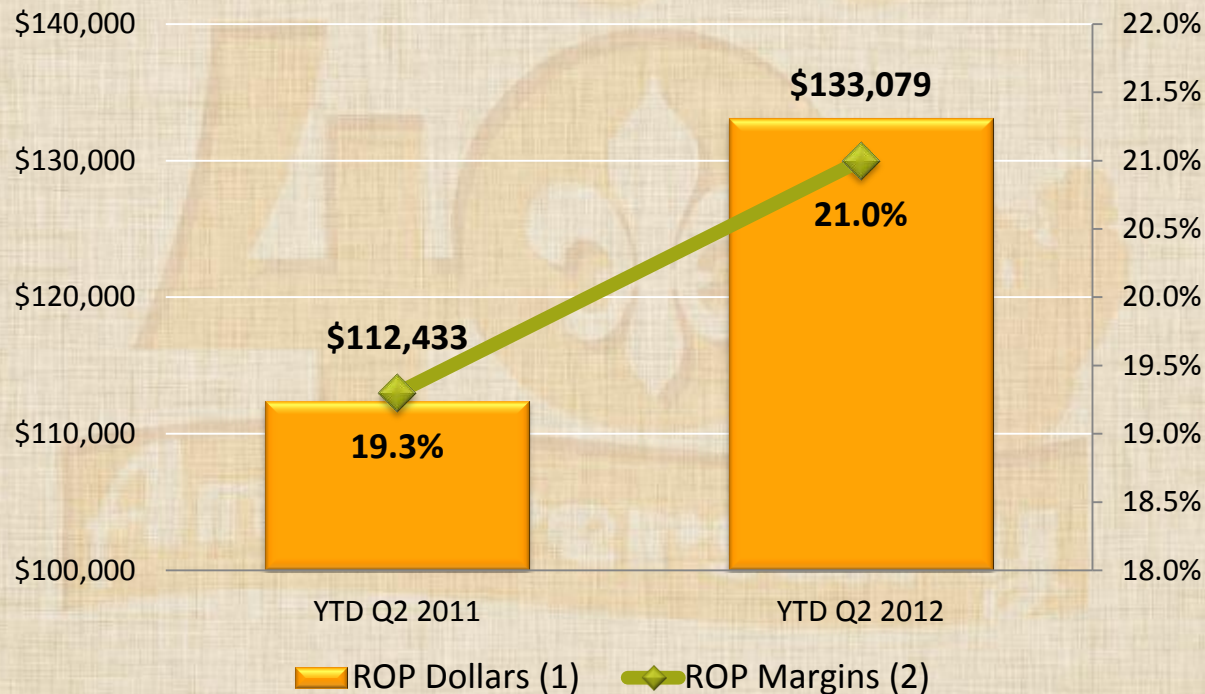
RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

## Stronger ROP Margins and Higher Absolute ROP \$ for Q2 YTD



- 1) Restaurant Operating Profit, before Rent, or "ROP" is in actual dollars for domestic free-standing restaurants as reported by franchisees
- 2) "ROP Margin" is calculated as ROP as a percentage of restaurant sales.



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

## You ain't seen nothin yet...

- Drive new reporting requirements DEEP
  - 400 Restaurants on Syrus at year end – huge upside
- Better training on use and implications of new data
- Franchisee Motivation: Results Win Converts!

***GOAL: 22% ROP Sustained even in the face of rising Commodities, Labor and Health Insurance Costs***



**RALPH BOWER**  
**PRESIDENT**



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

GOAL:



**Lead QSR category in growth  
of quality restaurants**



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

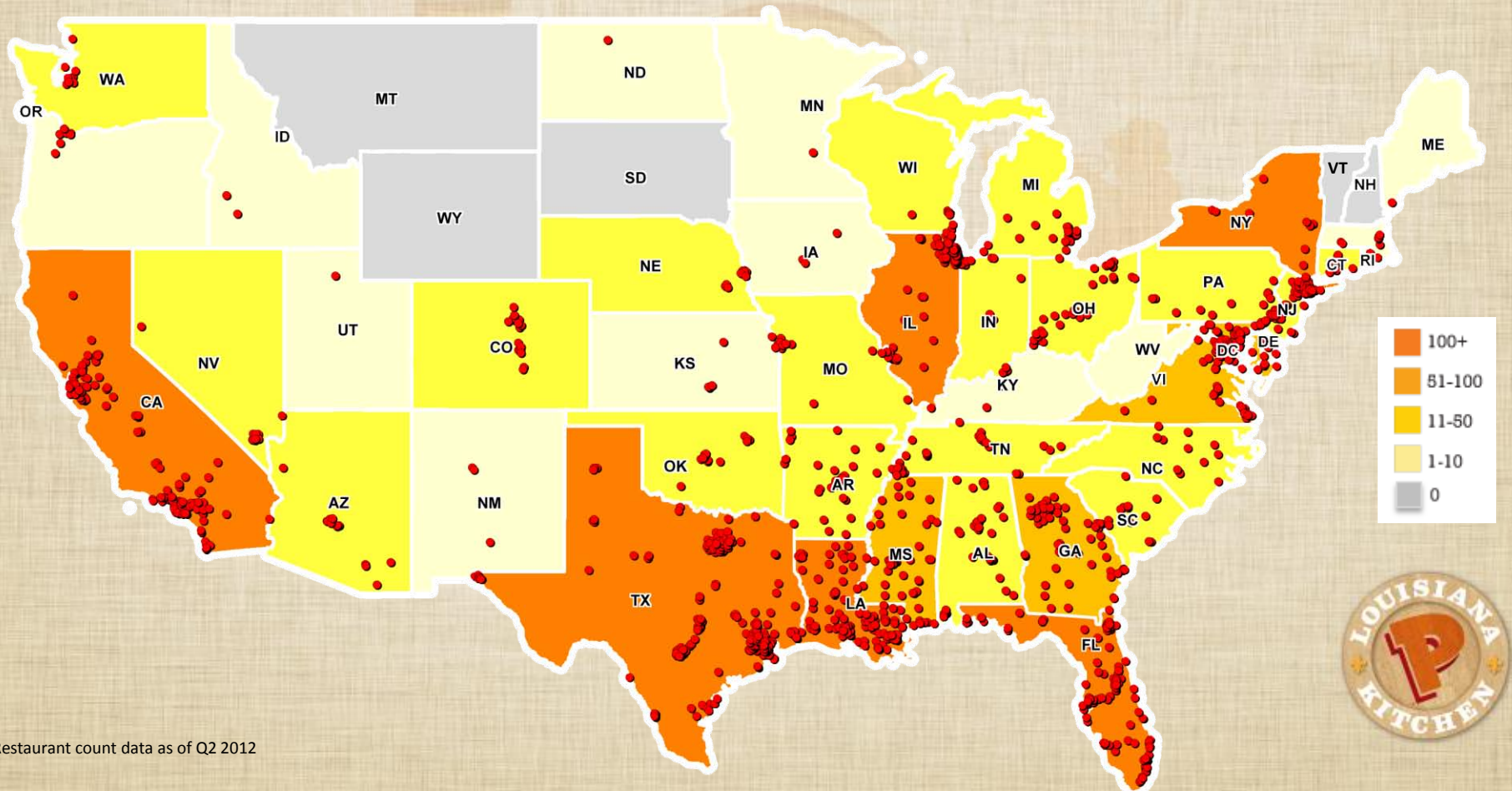
GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

## Established Domestic Footprint with Opportunity to more than Double

1,637 domestic locations in 45 states





# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

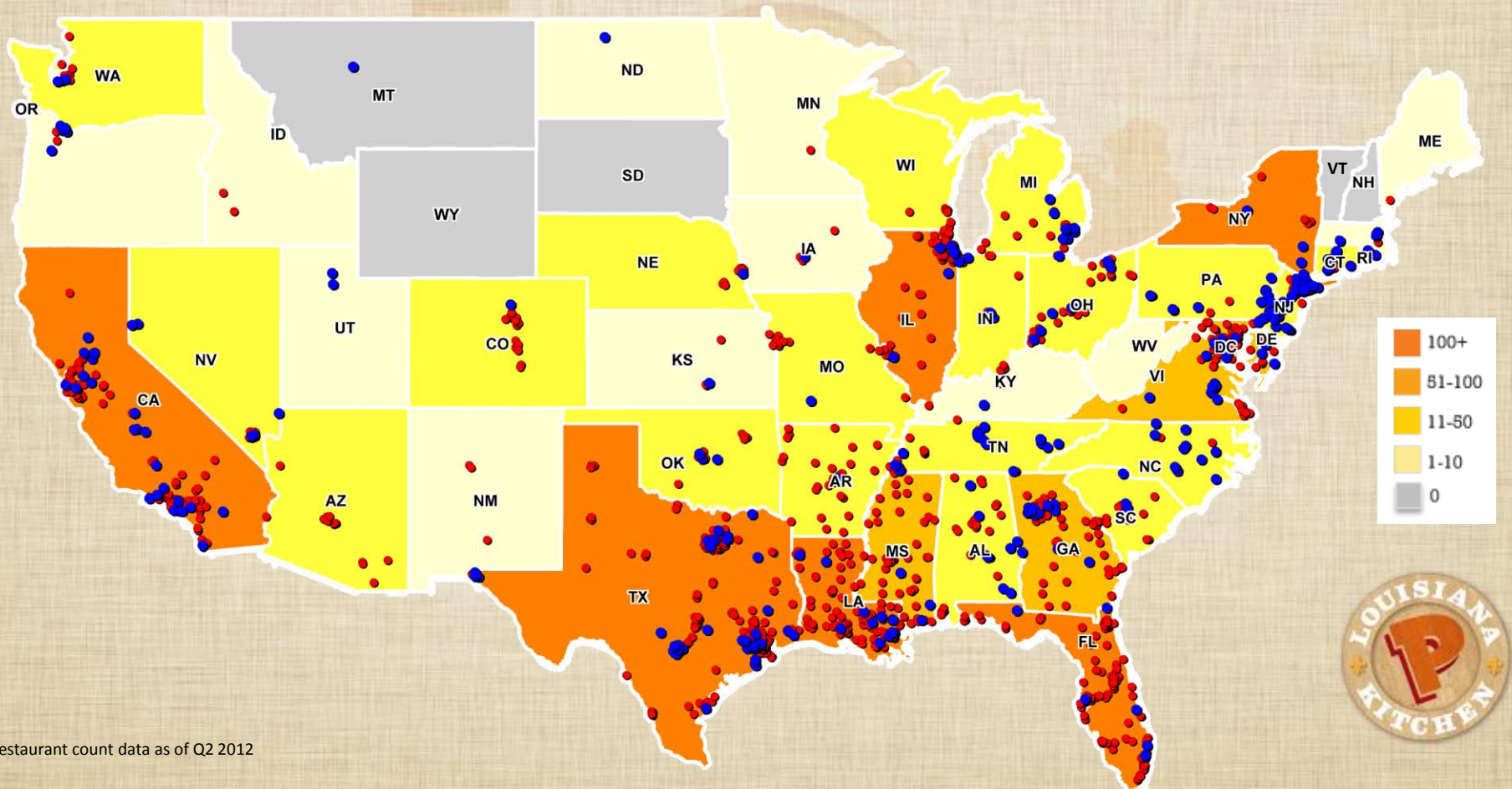
RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

## 20% Opened since 2008



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

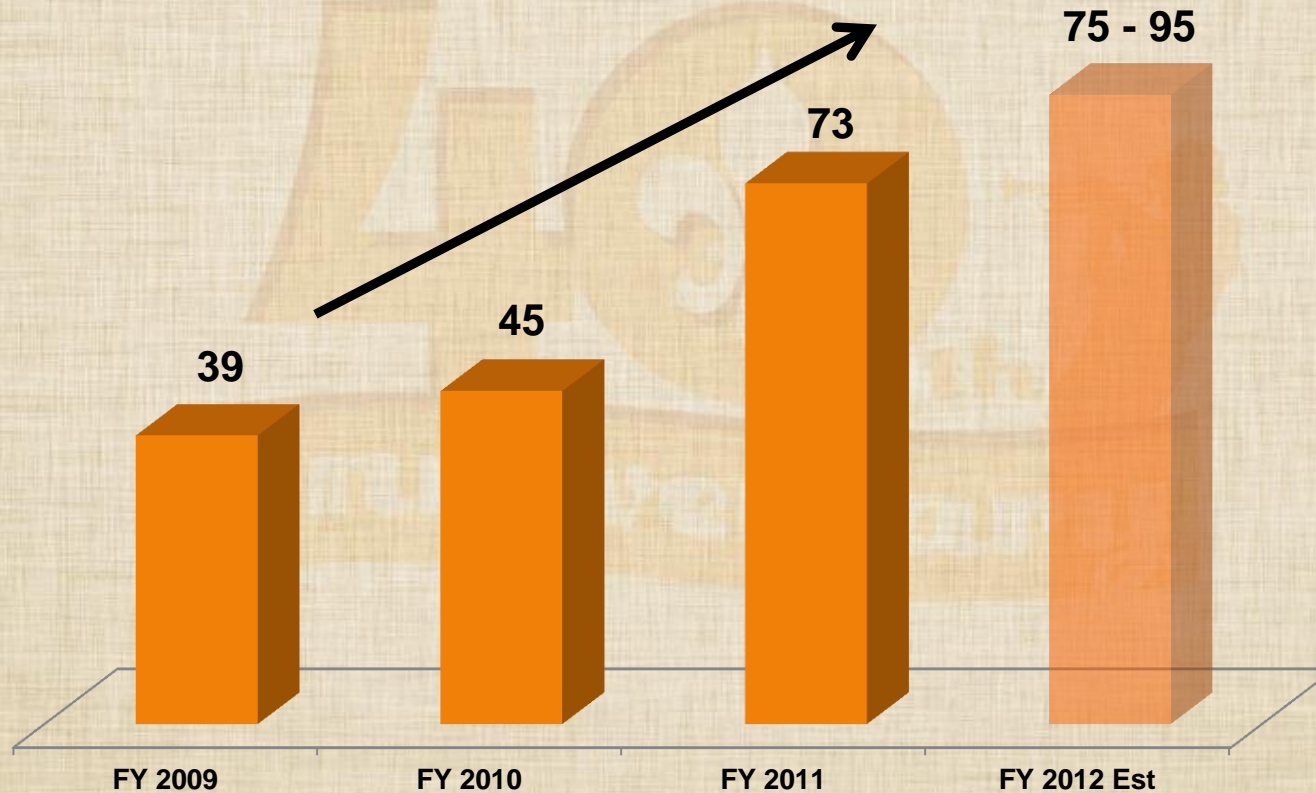
RUN GREAT  
RESTAURANTS

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CREATE A  
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SERVANT  
LEADERS

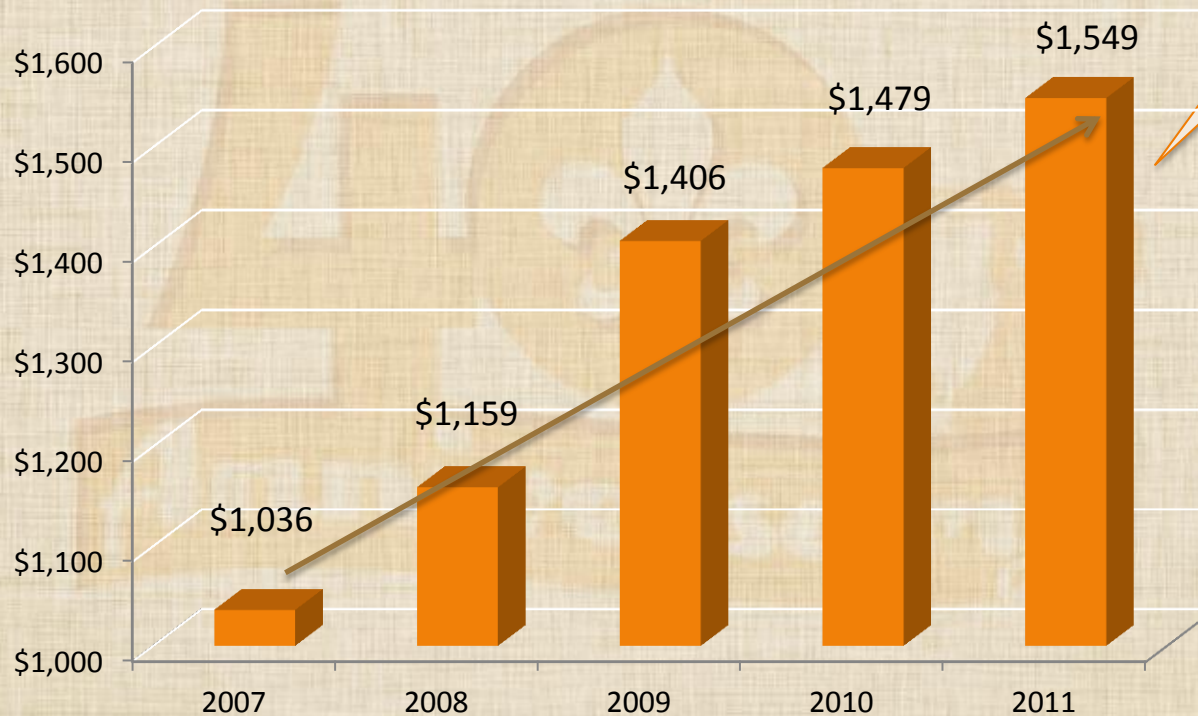
## Strong Growth in Domestic New Openings



## New Unit Volumes Climbing

### AUV's of New Domestic Free-standing Restaurants <sup>(1,2)</sup>

AUV's in \$000s



- 1 Includes only free-standing Popeyes restaurants built in the noted years, including restaurants that were converted from pre-existing establishments as follows: 2007: 43; 2008: 39; 2009: 17; 2010: 17, 2011: 26 (restaurants open at least 52 weeks).
- 2 AUV's reflect first 52 weeks of sales. Restaurants typically experience elevated sales in the 12 week period following the grand opening. Please refer to the Popeyes 2012 FDD Item 19 for additional disclosure.

## 3 Keys to Discipline & Rigor

- Site Modeling
- DMA Development Plans
- Dominant Real Estate



# ROADMAP TO RESULTS

BUILD DISTINCTIVE BRAND

RUN GREAT RESTAURANTS

GROW RESTAURANT PROFITS

ACCELERATE QUALITY RESTAURANTS

CREATE A CULTURE OF SERVANT LEADERS

## Site Modeling

**Popeyes SiteMaster**

Model Run Date: \_\_\_\_\_  
 Subject Site Name: \_\_\_\_\_  
 Store Number: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City, State, Zip: \_\_\_\_\_  
 Latitude: \_\_\_\_\_  
 Longitude: \_\_\_\_\_  
 Geography Used: MarketMaster Gap ID: \_\_\_\_\_  
 DMA: \_\_\_\_\_  
 Development Strategy: \_\_\_\_\_  
 Site Location Type: \_\_\_\_\_  
 Site Orientation: \_\_\_\_\_  
 Trade Area Location: \_\_\_\_\_  
 Ownership: \_\_\_\_\_  
 Franchisee Name: \_\_\_\_\_  
 Completed by: \_\_\_\_\_

Disclaimer: The use of this model should not be made a basis of investment and one type of evaluation. It is based on a number of assumptions and is subject to change. The model is not intended to be used as a substitute for a professional appraisal or other financial analysis. No warranty or representation is made by the franchisor in this report and will be achieved for any reason.

Broadwood Results Version 04/2011

### Trade Area Quality Fact.

**Site Identification**  
 Houston, TX - 10876 Westheimer Rd

Subject Site Name: 10876 Westheimer Rd  
 Store Number: Houston, TX  
 Site Address: Strip center  
 Site City, State: Houston, TX  
 Development Strategy: Freeway/land  
 Site Location Type: Suburban  
 Trade Area Location: Suburban

Subject Site Trade Area Quality: 60

Home Work Retail

Subject Site Trade Area Quality: 74

Home Work Retail

Subject Site Trade Area Quality: 57  
 62  
 61

Residential Factors (2 mile radius):  
 Population: \_\_\_\_\_  
 Households: \_\_\_\_\_  
 Median Income: \_\_\_\_\_  
 Pop \$30,000 + Income: \_\_\_\_\_  
 HS and up Education: \_\_\_\_\_

Daytime Factors (2 mile radius):  
 Total Employment: \_\_\_\_\_  
 White Collar: \_\_\_\_\_  
 Blue Collar: \_\_\_\_\_

Lifestyle Segments (2 mile radius):  
 Above Average (top 15 segments): \_\_\_\_\_  
 Average (middle 9 segments): \_\_\_\_\_  
 Below Average (bottom 33 segments): \_\_\_\_\_

Retail Factors:  
 1/4 mile radius GLA: \_\_\_\_\_  
 1/2 mile radius GLA: \_\_\_\_\_  
 1 mile radius GLA: \_\_\_\_\_

Source: Demographics from SRC 2010  
 Lifestyle Segments from AIS2 Mosaic  
 GLA from Claritas 2009 Shopping Data

Broadwood Results Version 04/2011

### Site Quality Factors

**Site Identification**  
 Houston, TX - 10876 Westheimer Rd

Subject Site Name: 10876 Westheimer Rd  
 Store Number: Houston, TX  
 Site Address: Strip center  
 Site City, State: Houston, TX  
 Development Strategy: Freeway/land  
 Site Location Type: Suburban  
 Trade Area Location: Suburban

Subject Site Trade Area Quality: 60

Summary Features

Linkages (Q2) Linkage (Q21) Critical factors

Positioning (Q26-27) Strategic Post (TA & Site) (Q3) Site Orientation

Activity (Q73) Driveway influence (Q14-16) Activity (All Types) (Q14) Military Base (Q16) Sports-Arena Type (Q17) Hospital (Q17-17) Computers (Q17) Sports-Arena Site (Q17) Sports-Arena Distance (Q17) Sports Arena & (Q17) Major Employer (Q28-31) Growth (All Types)

Broadwood Results Version 04/2011

**Popeyes**

Version: 02/27/09  
 Date: 4/27/2012  
 Restaurant Number: \_\_\_\_\_  
 Restaurant Name: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City, State, Zip: \_\_\_\_\_  
 Latitude: 29.757236 Longitude: -95.561351  
 Completed by: phone # \_\_\_\_\_

1. **SMALL TOWN**  
 (If this location is in a small town, indicated by the selection in the above question 4, then check whether this town is in the county seat.)  
 Yes  
 No  
 Not applicable (Not in a small town)

2. **SHOPPING AREA LOCATION**  
 Select the category that best describes the shopping area this site is located in. The degree to which an appropriate will vary between sites, but in general, will be up to 1/2 mile.  
 Urban (Major metropolitan area)  
 Suburban Region (A suburban location with a regional draw beyond the neighborhood pull, usually by the presence of a nearby highway/highway interchange, major mall, power center, etc.)  
 Suburban Office Park (A suburban location that draws primarily from surrounding area (suburbans))  
 Suburban Neighborhood (A suburban location that draws primarily from the surrounding neighborhood (25,000 or less))  
 Small Town (Near by draw amenities, particularly attractions such as Disney, World, Dollywood, Sea World, etc.)  
 Town (Near by draw amenities, particularly attractions such as Disney, World, Dollywood, Sea World, etc.)

3. **DEVELOPMENT STRATEGY (SHOPPING ENVIRONMENT)**  
 What is the development strategy of the location? Check all that apply. If Popeyes is a part of the development type, will be the one that is checked the shopping center type below.  
 Strip Center (No anchors)  
 Strip Center (With grocery or other anchors)  
 Power Center (Specialty)  
 Enclosed Laborer Mall (Outside per lot)  
 Outdoor Mall/Lifestyle Town Center  
 Downtown Urban Shopping District  
 Highway Location  
 Street Location (A location that is a freestanding building that is not part of a shopping center or mall)

Broadwood Results Version 04/2011

### Site Questionnaire

Company or Franchise: FRANCHISE  
 Franchised Site (Yes/No): \_\_\_\_\_  
 Primary Street Name (Street Address Name): \_\_\_\_\_  
 Secondary Street Name (Cross Street): LAKESIDE DR  
 Name of Development: LAKESIDE VILLAGE

4. **SITE LOCATION**  
 What type of location is the restaurant/office?  
 In-Line (Popes in a shopping center with stores on both sides)  
 Endcap (Exterior) (Popes in a shopping center with stores on only 1 side, and functions as a back endcap)  
 Endcap (Interior) (Popes in a shopping center with stores on only 1 side and a total insignificant trade on the other - lots like an endcap but functions as an interior, located in-line)  
 Multi-Tenant Pad (In-Line) (Popes in a building shared with others on a pad of a shopping center, located on the endcap)  
 Multi-Tenant Pad (Exterior) (Popes in a building shared with others on a pad of a shopping center, located on the endcap)  
 Freestanding Full Building (Popes by itself on a pad of a shopping center or not part of a shopping center)  
 Downstream Streetfront (Popes in a downtown urban environment)

5. **SITE ORIENTATION**  
 There are 4 possible corner locations to the full intersection of the primary and secondary street. If the intersection is "T", please rate the location in this category. Rate the Popes location, not that of the shopping center in which it may or may not be located. This Popes location is:  
 Corner Full Access (Located at an intersection with access from both sides)  
 Corner Limited Access (Located at an intersection with access from only 1 street)  
 Off Corner / Middle (Located towards the middle of the street, may or may not be visible from corner)  
 GLA of NEW DEVELOPMENT (Built within 2 years or less; if this site is in a new development (built within 2 years or less), what is the proposed GLA of the development?)  
 Not applicable (Site in an established development)

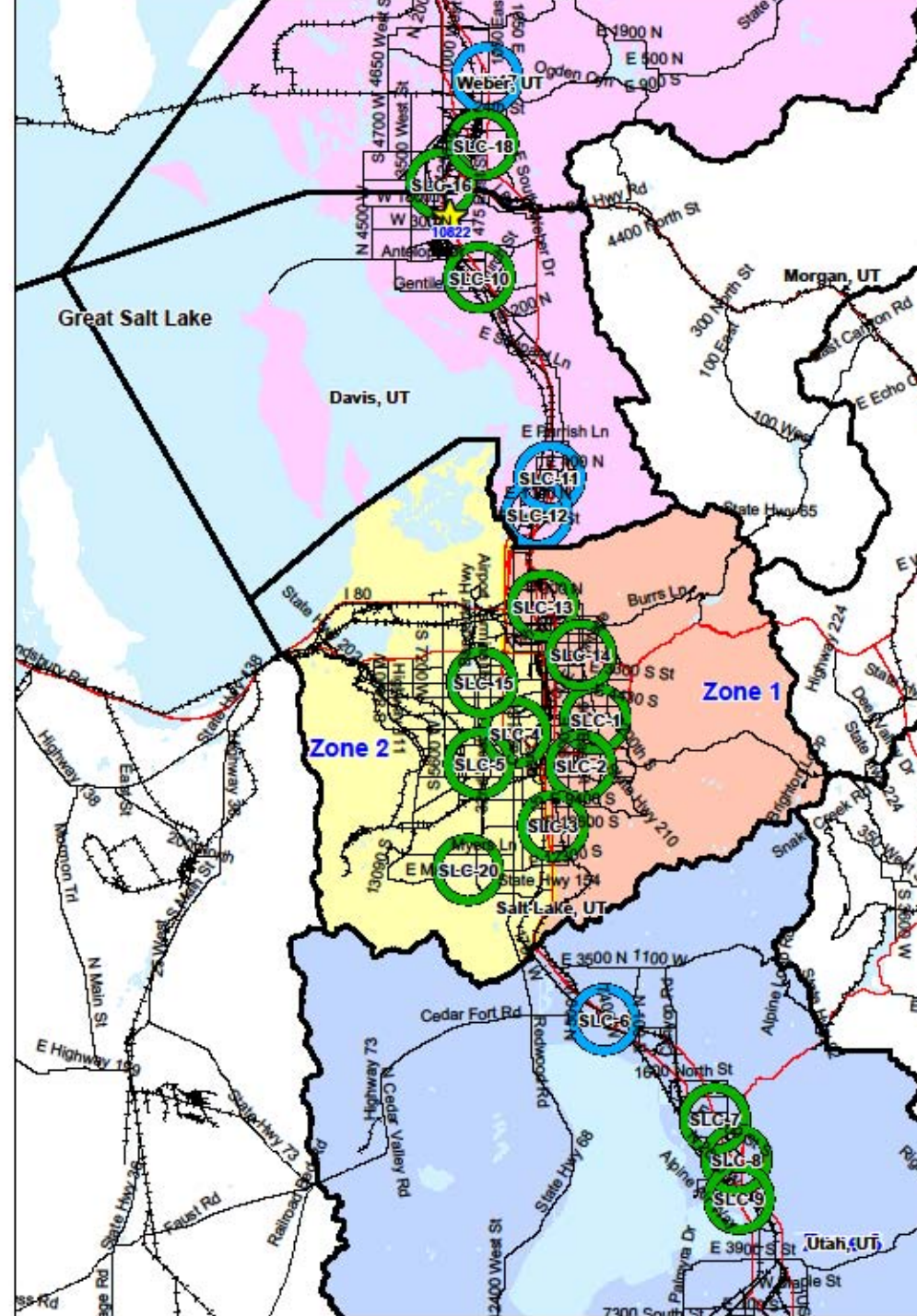
Total GLA: \_\_\_\_\_  
 Evaluate the sq. ft. (years old) of the retail area around the site.  
 0-2  
 3-5  
 6-10  
 11-20  
 21-30

2/2/09



## Salt Lake City, UT DMA Development Zone Map

- Zone 1: East Salt Lake County
- Zone 2: West Salt Lake County
- Zone 3: Utah County
- Zone 4: Davis, Weber & Cache Counties



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

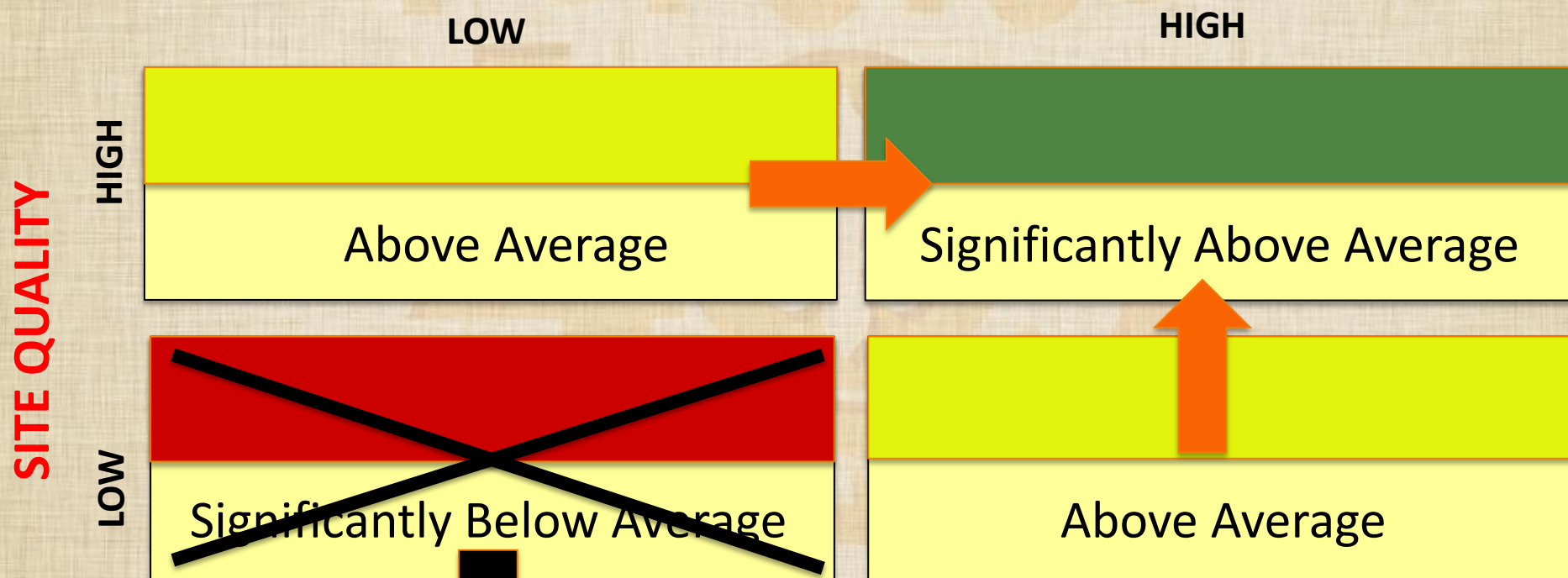
GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

## Dominant Real Estate

### TRADE AREA QUALITY



Have exited this box  
"No More Dogs"



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

## Dominant Real Estate

San Diego, CA



½ block move + \$400,000





# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
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CREATE A  
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SERVANT  
LEADERS

## Dominant Real Estate



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
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SERVANT  
LEADERS

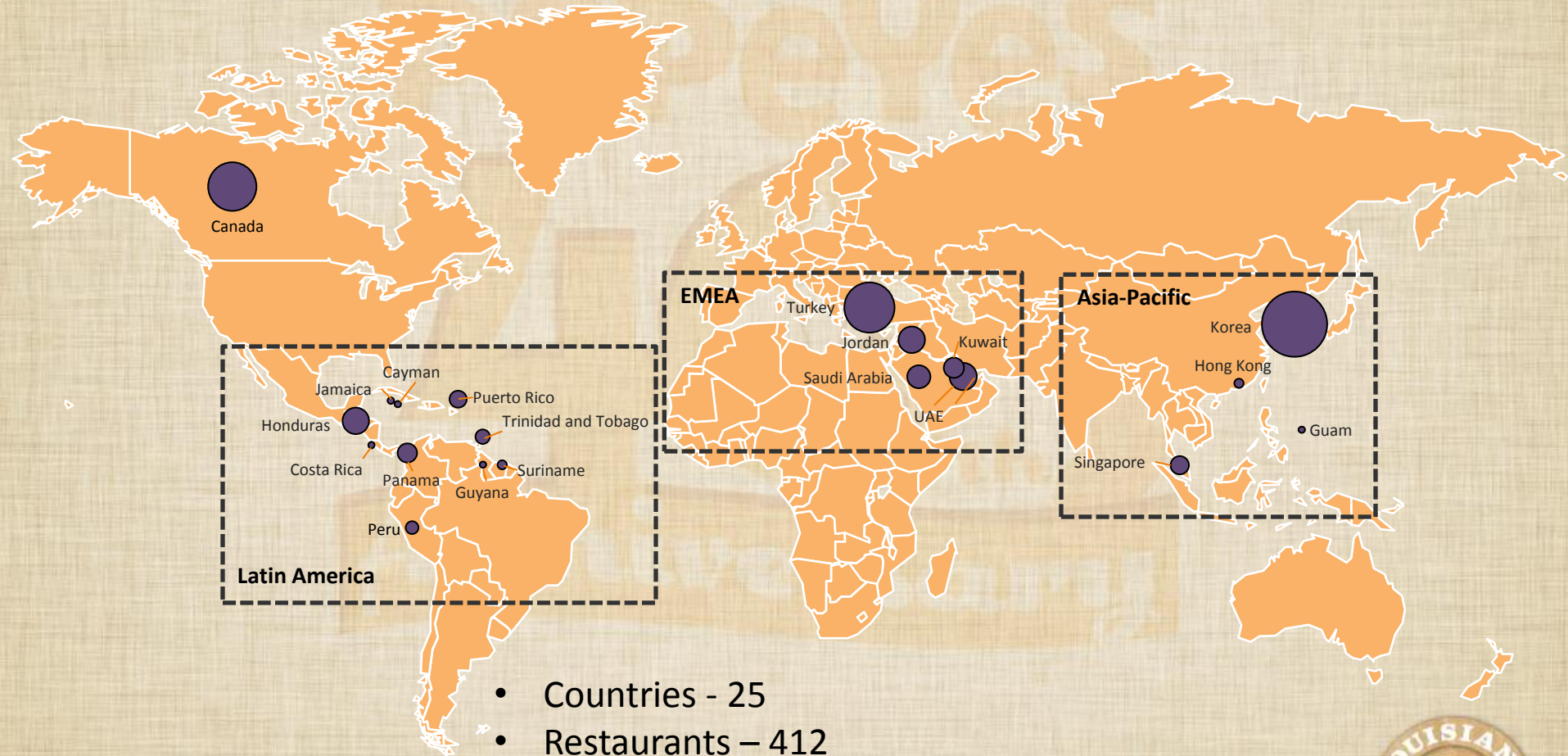
You ain't seen  
nothin yet...




**ANDREW SKEHAN**  
CHIEF OPERATING OFFICER,  
INTERNATIONAL



# Popeyes International Today



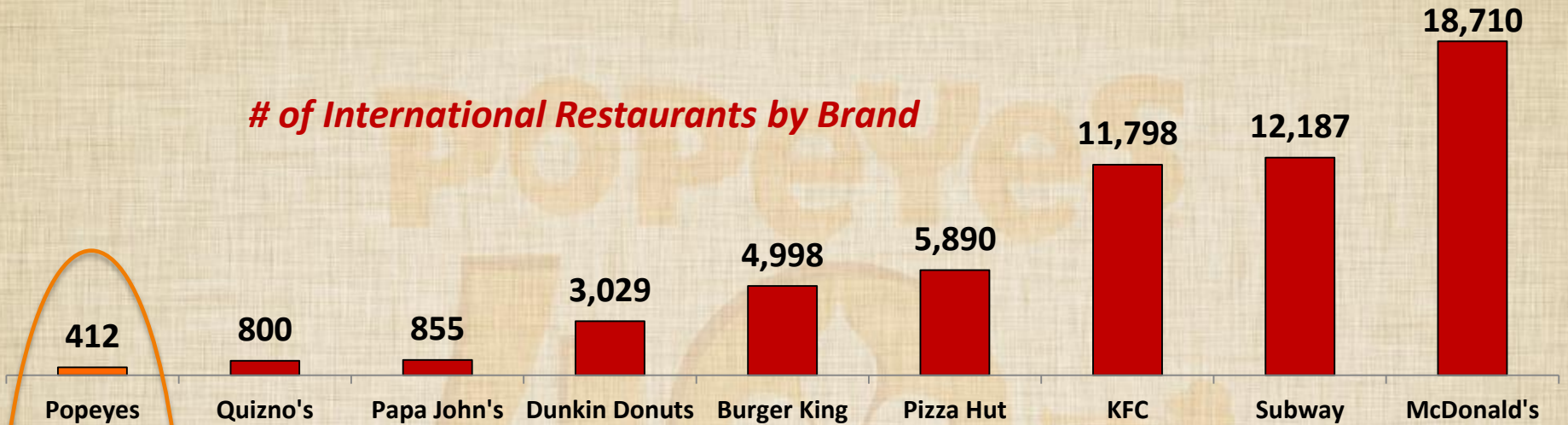
 = restaurant concentration

- Countries - 25
- Restaurants – 412
- “Military’s Favorite Chicken”
- Outnumber KFC in Turkey, Honduras and Jordan
- Same store sales growth for 13 consecutive quarters

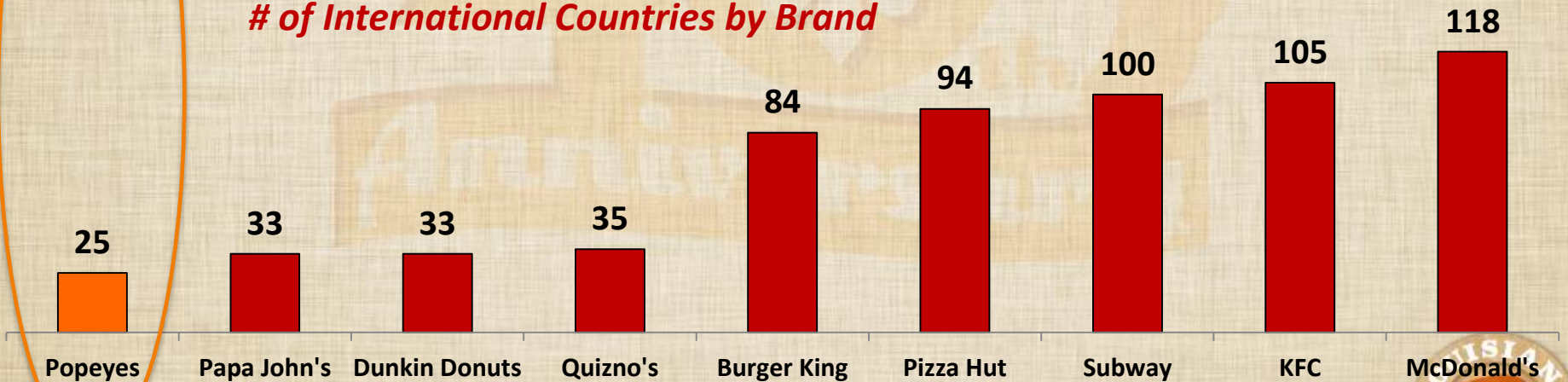


# Significant Potential for International Growth

*# of International Restaurants by Brand*



*# of International Countries by Brand*



# Popeyes was Born to Travel

- Relevant Menu

- Chicken and seafood
- Rice and bean side dishes
- Bold, spicy, flavorful profile



- Relevant Heritage

- Born of 7 nations
- Festival atmosphere
- Proven U.S. success



# ROADMAP TO RESULTS

**BUILD  
DISTINCTIVE  
BRAND**

**RUN GREAT  
RESTAURANTS**

**GROW  
RESTAURANT  
PROFITS**

**ACCELERATE  
QUALITY  
RESTAURANTS**

**CREATE A  
CULTURE OF  
SERVANT  
LEADERS**

**Invite  
The Guest**

**Delight  
The Guest**

**Make  
Money**

**Expand  
Our Footprint**

**Engage  
The Team**

**Proven in the U.S. and  
now applied worldwide**



# The Model for Growth – Market Selection

Size & Quality

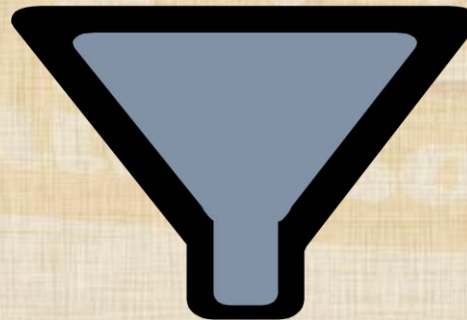
Cost of Doing Business

Ease of Doing Business

Overall Propensity for QSR

QSR Penetration

Other Qualitative Factors

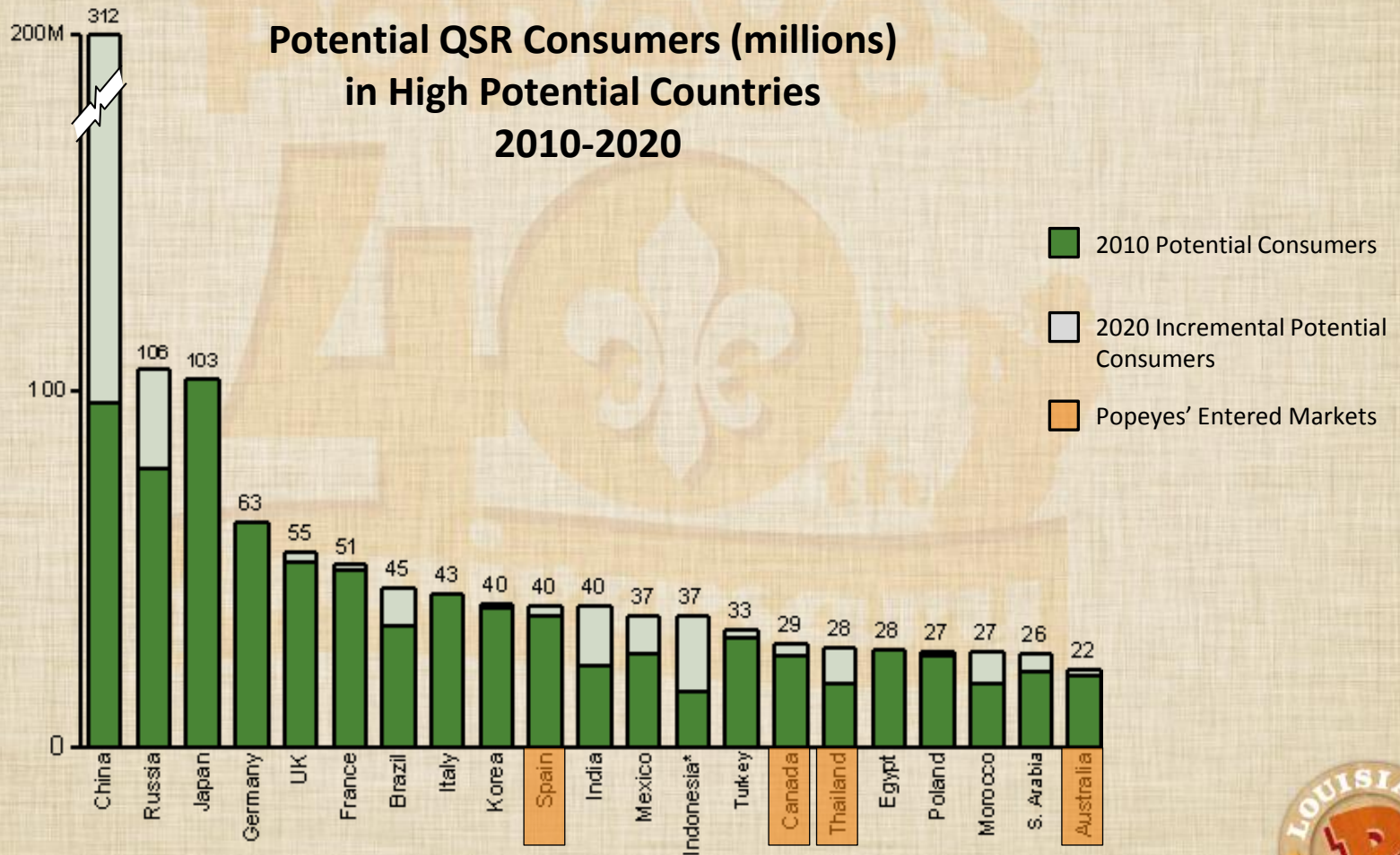


**PRIORITY MARKETS**





# The Model for Growth – Market Selection



# The Model for Growth - Partner Selection

Cultural Fit

Access to Capital

Previous QSR /  
Retail Experience

People Capabilities

Real Estate  
Expertise

Supply Chain &  
Distribution

Marketing Support  
& Expertise



# You ain't seen nothin' yet...

- Opportunity is substantial
- Popeyes was born to travel
  - Ideal menu
  - Relevant heritage
- And we know how
  - US model – operating principles and practices
  - High potential markets & partners – sustainable growth
  - Disciplined expansion – 2 to 3 markets per year



**LYNNE ZAPPONE**  
**CHIEF TALENT OFFICER**



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

GOAL:



**Create a leadership culture  
that delivers sustainable  
results.**



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

## Strong and Stable Leadership Team



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

## Our People



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

## Strengthening and Transforming our Culture

Make Popeyes Louisiana Kitchen the employer of choice by creating an employee experience so great our teams consistently deliver a uniquely Popeyes guest experience.





# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

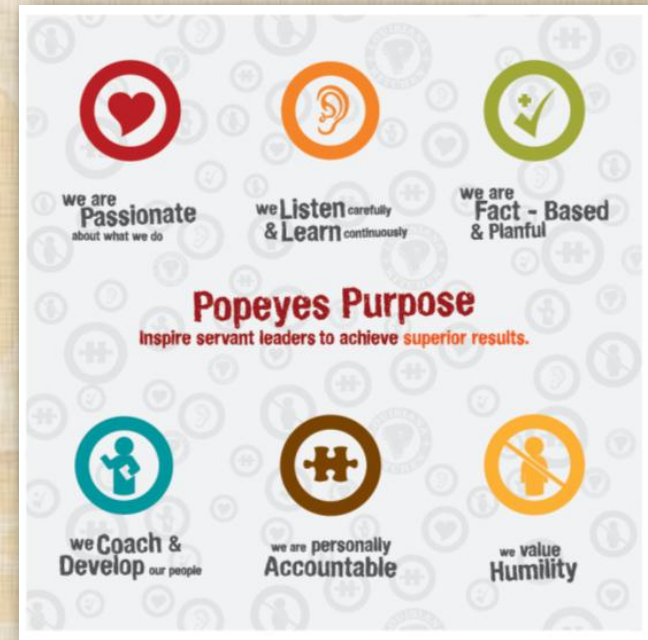
GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

## Strengthening and Transforming our Culture

- Develop Servant Leaders
- Articulate and deliver an employee value proposition
- Define and deliver a branded guest experience



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

## Develop Servant Leaders

- It all comes back to the leader, the person who
  - Creates the environment
  - Inspires the team
  - Communicates expectations
  - Coaches performance
  - Supports development



The leader is the key to attracting, developing, and retaining great people.



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

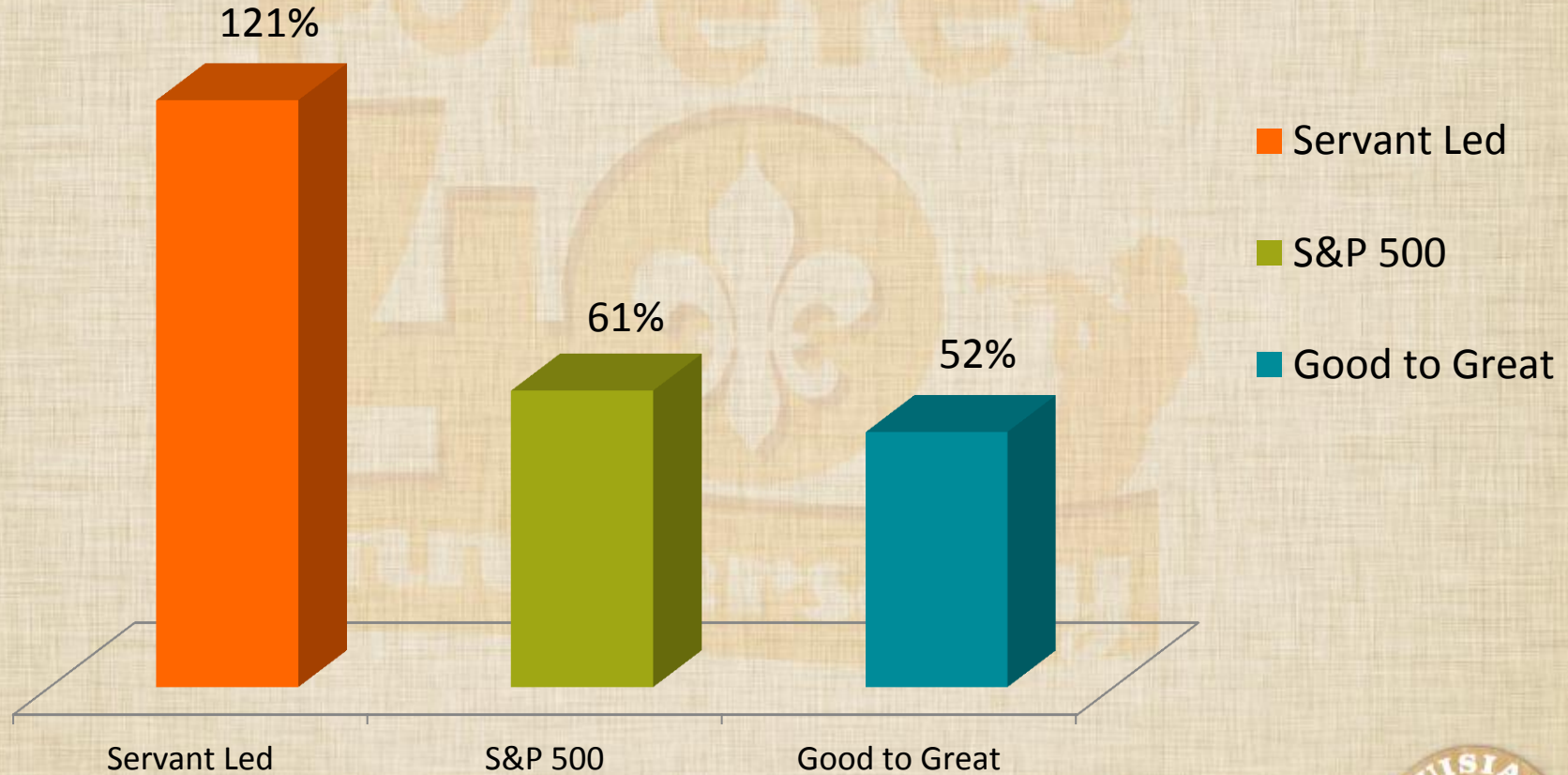
RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

## Servant Leadership is Good for Business



Stock price appreciation 2002-2012

Source: Nasdaq FactSet data

# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

## Articulating and delivering on our employee value proposition

- An effective employee value proposition answers key questions:

**Who we are**

**How we work  
and  
what we value**

**The Promise  
What we offer  
employees**



# ROADMAP TO RESULTS

BUILD  
DISTINCTIVE  
BRAND

RUN GREAT  
RESTAURANTS

GROW  
RESTAURANT  
PROFITS

ACCELERATE  
QUALITY  
RESTAURANTS

CREATE A  
CULTURE OF  
SERVANT  
LEADERS

YOU AIN'T SEEN NOTHIN' YET...

## THREE LEGGED STOOL



**MEL HOPE**  
**CHIEF FINANCIAL OFFICER**



# Second Quarter Financial Highlights

<i>(\$000's, except per share data and unit count)</i>	YTD Q2 2012	YTD Q2 2011
Revenue	\$92.4	\$82.1
Operating Profit	\$25.6	\$22.1
Net Income	\$14.9	\$12.7
Adjusted Earnings per Diluted Share <sup>(2)</sup>	\$0.62	\$0.50
Global Same Store Sales	7.5%	2.5%
Operating EBITDA	\$28.6	\$24.1
Free Cash Flow	\$18.2	\$14.7



- “LTM” reflects the last 4 reported quarters ending with the second quarter of 2012 and 2011 respectively.
- Adjusted Earnings per Diluted Share, Operating EBITDA and Free Cash Flow are non-GAAP measures. Please refer to definition contained in Appendix.

# Second Quarter Financial Highlights

<i>(\$000's, except per share data and unit count)</i>	YTD Q2 2012	YTD Q2 2011	LTM <sup>(1)</sup> Q2 2012	LTM <sup>(1)</sup> Q2 2011
Revenue	\$92.4	\$82.1	\$164.1	\$150.4
Operating Profit	\$25.6	\$22.1	\$44.2	\$40.9
Net Income	\$14.9	\$12.7	\$26.4	\$23.0
Adjusted Earnings per Diluted Share <sup>(2)</sup>	\$0.62	\$0.50	\$1.11	\$0.92
Global Same Store Sales	7.5%	2.5%	5.8%	3.8%
Operating EBITDA	\$28.6	\$24.1	\$49.9	\$45.0
Free Cash Flow	\$18.2	\$14.7	\$32.0	\$26.5



- “LTM” reflects the last 4 reported quarters ending with the second quarter of 2012 and 2011 respectively.
- Adjusted Earnings per Diluted Share, Operating EBITDA and Free Cash Flow are non-GAAP measures. Please refer to definition contained in Appendix.



# Second Quarter Financial Highlights

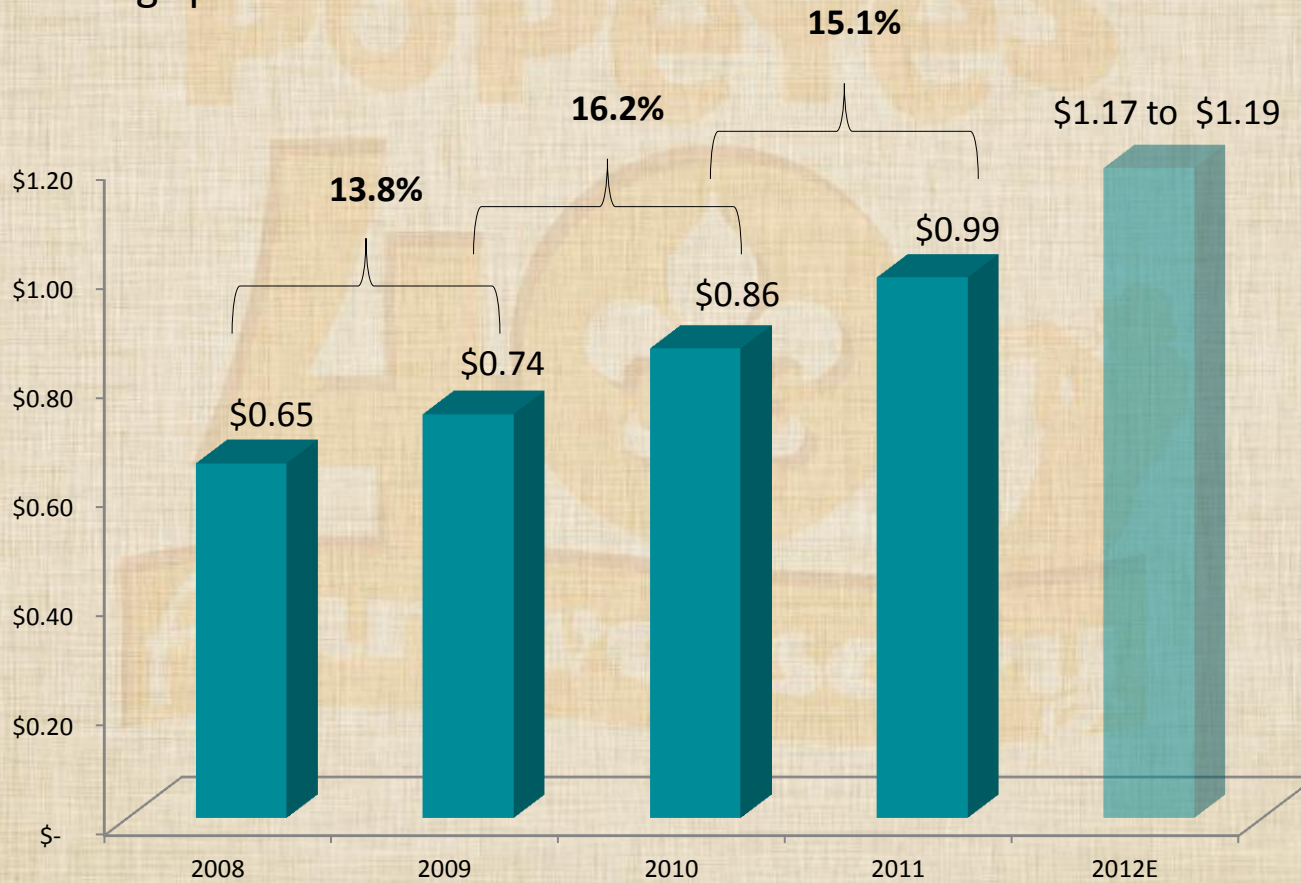
<i>(\$000's, except per share data and unit count)</i>	YTD Q2 2012	YTD Q2 2011	LTM <sup>(1)</sup> Q2 2012	LTM <sup>(1)</sup> Q2 2011	LTM <sup>(1)</sup> % Growth
Revenue	\$92.4	\$82.1	\$164.1	\$150.4	9.1%
Operating Profit	\$25.6	\$22.1	\$44.2	\$40.9	8.1%
Net Income	\$14.9	\$12.7	\$26.4	\$23.0	14.8%
Adjusted Earnings per Diluted Share <sup>(2)</sup>	\$0.62	\$0.50	\$1.11	\$0.92	20.7%
Global Same Store Sales	7.5%	2.5%	5.8%	3.8%	
Operating EBITDA	\$28.6	\$24.1	\$49.9	\$45.0	10.9%
Free Cash Flow	\$18.2	\$14.7	\$32.0	\$26.5	20.8%



- “LTM” reflects the last 4 reported quarters ending with the second quarter of 2012 and 2011 respectively.
- Adjusted Earnings per Diluted Share, Operating EBITDA and Free Cash Flow are non-GAAP measures. Please refer to definition contained in Appendix.

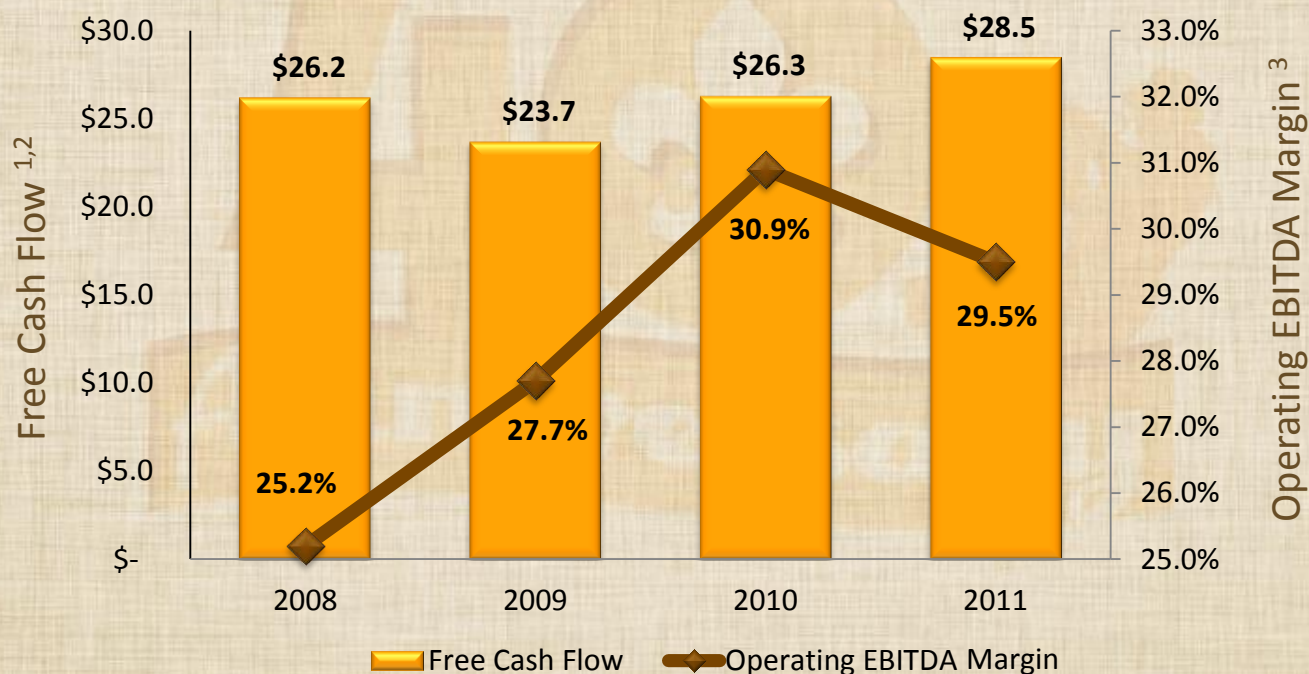
# Consistent EPS Growth

## Adjusted Earnings per Diluted Share



# Key Financial Metrics

- Reliable Free Cash Flow
- Industry leading Operating EBITDA margins



(1) Dollars in Millions

(2) Free Cash Flow is a non-GAAP measure. Please refer to definition in Appendix.

(3) Operating EBITDA is a non-GAAP financial measure. Please refer to definition in Appendix.

# Stronger YTD Q2 2012



(1) Dollars in Millions

(2) Free Cash Flow is a non-GAAP measure. Please refer to definition in Appendix.

(3) Operating EBITDA is a non-GAAP financial measure. Please refer to definition in Appendix.

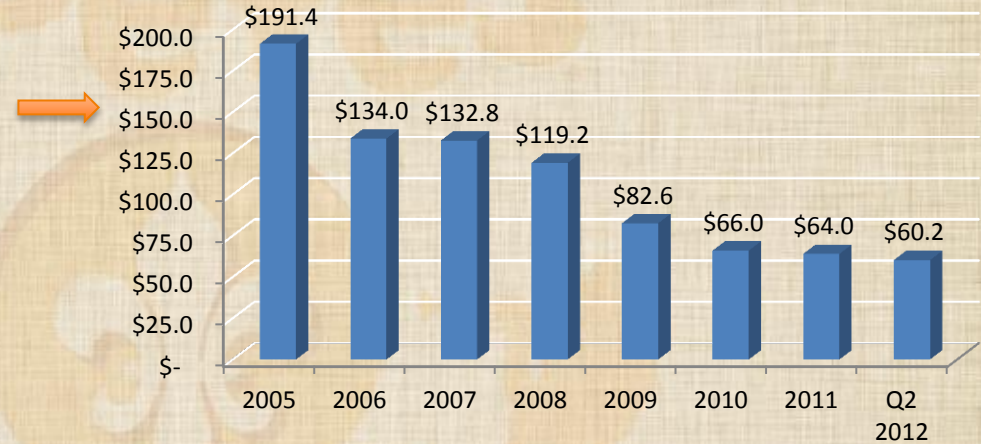
# Cash deployed to maximize shareholder returns

At Q2 2012, our TLR was 1.16x and our weighted average interest rate was 3.9%

## Share Repurchases



## Total Debt



In addition to the special dividend in 2005 of approximately \$350 million, we have repurchased nearly \$120 million of outstanding shares



# Company-operated Restaurant Development

1 new company-operated restaurant opened in 2011



- Expect to open between 4 to 6 additional company-operated restaurants in 2012
- Strategic
  - Demonstrate unit economic impact of our dominant real estate strategy
  - Facilitates menu and marketing innovation
  - Development of employee engagement programs for system-wide application
- Financial:
  - Greater contribution per unit to brand level EBITDA than franchised restaurants
  - Cash engine to fuel future international growth



# Strong Cash-on-Cash Returns

## 2010 Free-standing prototype restaurants

(\$000's)	
<b>Average Sales Volume <sup>(1)</sup></b>	<b>\$1,400 to \$1,500</b>
<b>Average Investment Costs (building &amp; equipment)</b>	<b>\$800 to \$900</b>
<b>Average Restaurant EBITDA <sup>(1,2)</sup></b>	<b>\$225 to \$240</b>
<b>Restaurant EBITDA Margins</b>	<b>Approximately 16%</b>
<b>Cash on Cash Return <sup>(3)</sup></b>	<b>25% to 30%</b>

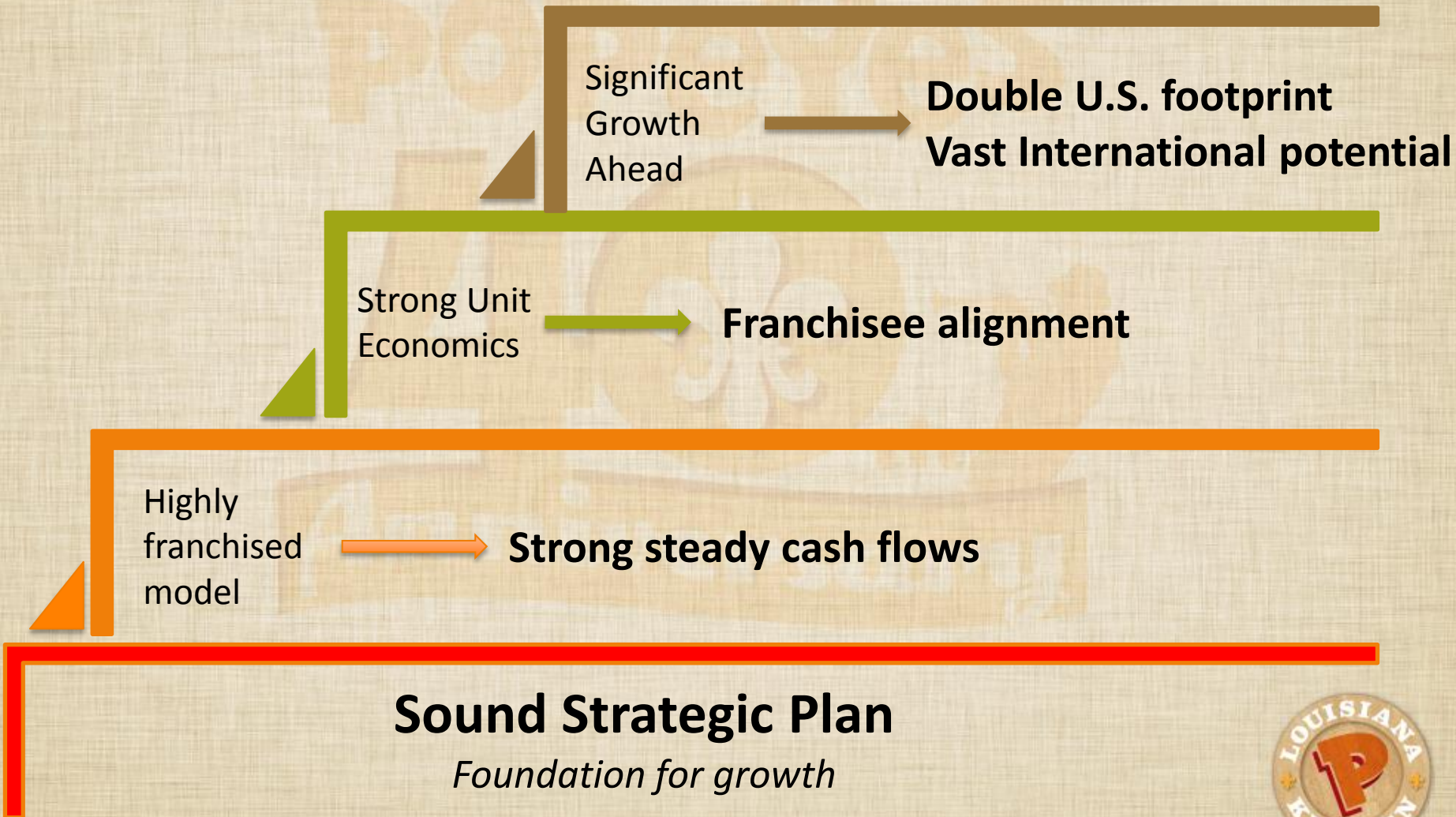


(1) Average FY 2011 sales volume and EBITDA margins for the 10 new free-standing restaurants opened in fiscal 2010 (excluding conversions)

(2) Restaurant EBITDA equals restaurant operating profit after rental expense of approximately 7% of sales, and excluding G&A.

(3) Cash on cash returns calculated as average restaurant EBITDA divided by average building and equipment investment costs

# Popeyes is a Growth Story





# Full Year 2012 Guidance

(as of Q2 2012)

Global SSS	Net Unit Opens	G&A	Adjusted Diluted EPS <sup>1</sup>
5.0%-6.0%	60-90  135-155 opens	Approximately \$67-68 million  3.0% of system-wide sales	\$1.17-\$1.19



(1) Adjusted Earnings per Diluted Share is a non-GAAP measure. Please refer to definition in Appendix.

## Management's use of non-GAAP financial measures

Adjusted earnings per diluted share, Operating EBITDA, Company-operated restaurant operating profit and Free cash flow are supplemental non-GAAP financial measures. The Company uses Adjusted earnings per diluted share, Operating EBITDA, Company-operated restaurant operating profit and Free cash flow in addition to net income, operating profit and cash flows from operating activities, to assess its performance and believes it is important for investors to be able to evaluate the Company using the same measures used by management. The Company believes these measures are important indicators of its operational strength and performance of its business because they provide a link between profitability and operating cash flow. Adjusted earnings per diluted share, Operating EBITDA, Company-operated restaurant operating profit and Free cash flow as calculated by the Company are not necessarily comparable to similarly titled measures reported by other companies. In addition, Adjusted earnings per diluted share, Operating EBITDA, Company-operated restaurant operating profit and Free cash flow: (a) do not represent net income, cash flows from operations or earnings per share as defined by GAAP; (b) are not necessarily indicative of cash available to fund cash flow needs; and (c) should not be considered as an alternative to net income, earnings per share, operating profit, cash flows from operating activities or other financial information determined under GAAP.



# Adjusted earnings per diluted share

## Adjusted earnings per diluted share: Calculation and Definition

The Company defines “Adjusted earnings” for the periods presented as the Company’s reported “Net income” after adjusting for certain non-operating items consisting of the following:

- (i) other expense (income), net, as follow:
- for second quarter 2012 includes \$0.1 million for impairments and disposals of fixed assets,
  - for second quarter 2011 includes \$0.1 million for impairments and disposals of fixed assets, \$0.2 million of other expenses related to the Company’s relocation to a new Global Service Center offset by \$0.1 million for net gain on sales of assets,
  - for second quarter year-to-date 2012 includes \$0.2 million for impairments and disposals of fixed assets offset by \$0.1 million net gain on the sale of assets,
  - for second quarter year-to-date 2011 includes \$0.2 million for impairments and disposals of fixed assets, \$0.2 million of other expenses related to the Company’s relocation to a new Global Service Center offset by \$0.7 million for net gain on sales of assets,
  - for the second quarter last twelve months 2012 includes \$0.5 million for impairments and disposals of fixed assets, \$0.6 million in other expenses related to the Company’s relocation to a new Global Service Center offset by \$0.2 million for the net gain on sales of assets,
  - for the second quarter last twelve months 2011 includes \$0.7 million for impairments and disposals of fixed assets, \$0.2 million in other expenses related to the Company’s relocation to a new Global Service Center offset by \$0.9 million for the net gain on sales of assets,
  - for fiscal 2011 includes \$0.8 million in expenses for the Global Service Center relocation, and \$0.5 million in impairments offset by a \$0.8 million net gain on sales of assets,
  - for fiscal 2010 includes \$0.7 million for impairments and disposals of fixed assets partially offset by \$0.5 million for net gain on sales of assets,
  - for fiscal 2009 includes \$3.3 million net gain on the sale of assets partially offset by \$0.6 million related to impairments and disposals of fixed assets, and \$0.6 million of other expense,
  - for fiscal 2008 includes \$12.9 million from recoveries from directors and officers insurance claims, \$0.9 million in gain on sales of assets and \$0.5 million in insurance recoveries related to property damages, partially offset by \$9.5 million of impairments of fixed assets and goodwill impairment and \$0.2 million of other expenses;
- (ii) for second quarter 2012 year-to-date and second quarter last twelve months approximately \$0.5 million in legal fees related to licensing arrangements;
- (iii) accelerated depreciation related to the Company’s relocation to a new Global Service Center;
- (iv) interest charges associated with the refinancing of the Company’s credit facility;
- (v) the tax effect of these adjustments at the effective statutory rates;
- (vi) and for fiscal 2010, the tax audit benefit.

“Adjusted earnings per diluted share” provides the per share effect of Adjusted earnings on a diluted basis. The following table reconciles on a historical basis for second quarter 2012, second quarter 2011, second quarter year-to-date 2012, second quarter year-to-date 2011, second quarter 2012 last twelve months, second quarter 2011 last twelve months, fiscal year 2011, fiscal year 2010, fiscal year 2009, and fiscal 2008, the Company’s Adjusted earnings per diluted share on a consolidated basis to the line on its Condensed Consolidated Statement of Operations and Comprehensive Income entitled “Net income”, which the Company believes is the most directly comparable GAAP measure on its Condensed Consolidated Statement of Operations and Comprehensive Income to “Adjusted earnings per diluted share.”

(in millions, except per share data)	Q2 2012	Q2 2011	YTD Q2 2012	YTD Q2 2011	LTM Q2 2012	LTM Q2 2011	Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008
Net Income	\$6.6	\$5.5	\$14.9	\$12.7	\$26.4	\$23.0	\$24.2	\$22.9	\$18.8	\$19.4
Other expense (income), net	0.1	0.2	0.1	(0.3)	0.9	-	0.5	0.2	(2.1)	(4.6)
Legal fees related to licensing arrangements	-	-	0.5	-	0.5	-	-	-	-	-
Accelerated depreciation related to the Company's relocation to a new Global Service Center	-	0.1	-	0.3	0.2	0.1	0.5	-	-	-
Interest charges associated with refinancing credit facility	-	-	-	-	-	0.6	-	0.6	1.9	-
Tax effect	(0.1)	(0.1)	(0.3)	(0.1)	(0.7)	(0.3)	(0.5)	(0.3)	0.1	2.0
Tax audit benefit	-	-	-	-	-	-	-	(1.4)	-	-
<b>Adjusted earnings</b>	<b>\$6.6</b>	<b>\$5.7</b>	<b>\$15.2</b>	<b>\$12.6</b>	<b>\$27.3</b>	<b>\$23.4</b>	<b>\$24.7</b>	<b>\$22.0</b>	<b>\$18.7</b>	<b>\$16.8</b>
<b>Adjusted earnings per diluted share</b>	<b>\$0.27</b>	<b>\$0.23</b>	<b>\$0.62</b>	<b>\$0.50</b>	<b>\$1.11</b>	<b>\$0.92</b>	<b>\$0.99</b>	<b>\$0.86</b>	<b>\$0.74</b>	<b>\$0.65</b>
<b>Weighted average diluted shares outstanding</b>	<b>24.4</b>	<b>24.8</b>	<b>24.5</b>	<b>25.4</b>	<b>24.6</b>	<b>25.4</b>	<b>25.0</b>	<b>25.5</b>	<b>25.4</b>	<b>25.7</b>

# Operating EBITDA

The Company defines Operating EBITDA as “earnings before interest expense, taxes, depreciation and amortization, and other expenses (income), net and legal fees related to licensing arrangements”. The following table reconciles on a historical basis for the second quarter 2012, second quarter 2011, second quarter year-to-date 2012, second quarter year-to-date 2011, second quarter last twelve months 2012, second quarter last twelve months 2011, fiscal years 2011, 2010, 2009, and 2008, the Company’s earnings before interest expense, taxes, depreciation and amortization, and other expenses (income), net (“Operating EBITDA”) on a consolidated basis to the line on its Consolidated Statement of Operations and Comprehensive Income entitled net income, which the Company believes is the most directly comparable GAAP measure on its Consolidated Statement of Operations and Comprehensive Income to Operating EBITDA. “Operating EBITDA as a percentage of Total Revenues” is defined as “Operating EBITDA” divided by “Total Revenues”.

(dollars in millions)	YTD Q2 2012	YTD Q2 2011	LTM Q2 2012	LTM Q2 2011	Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008
Net income	\$14.9	\$12.7	\$26.4	\$23.0	\$24.2	\$22.9	\$18.8	\$19.4
Interest expense, net	2.0	2.0	3.7	5.5	3.7	8.0	8.4	8.1
Income tax expense	8.7	7.4	14.1	12.4	12.8	10.3	11.5	12.8
Depreciation and amortization	2.4	2.3	4.3	4.1	4.2	3.9	4.4	6.3
Other expenses (income), net	0.1	(0.3)	0.9	-	0.5	0.2	(2.1)	(4.6)
Legal fees related to licensing arrangements	0.5	-	0.5	-	-	-	-	-
<b>Operating EBITDA</b>	<b>\$28.6</b>	<b>\$24.1</b>	<b>\$49.9</b>	<b>\$45.0</b>	<b>\$45.4</b>	<b>\$45.3</b>	<b>\$41.0</b>	<b>\$42.0</b>
<b>Total Revenues</b>	<b>\$92.4</b>	<b>\$82.1</b>	<b>\$164.1</b>	<b>\$150.4</b>	<b>\$153.8</b>	<b>\$146.4</b>	<b>\$148.0</b>	<b>\$166.8</b>
Operating EBITDA as a percentage of Total Revenues	31.0%	29.4%	30.4%	29.9%	29.5%	30.9%	27.7%	25.2%



# Free Cash Flow

The Company defines Free Cash Flow as “net income” plus “depreciation and amortization”, plus “stock-based compensation expense”, minus “maintenance capital expenditures” which includes for:

- second quarter year-to-date 2012 \$0.6 million in Company restaurant re-images, \$0.4 million of information technology projects, and \$0.6 million in other capital assets to maintain, replace and extend the lives of Company-operated restaurant facilities and equipment
- second quarter year-to-date 2011 \$0.9 million in Company restaurant re-images, \$0.4 million of information technology projects, and \$0.4 million in other capital assets to maintain, replace and extend the lives of Company-operated restaurant facilities and equipment,
- second quarter last twelve months 2012 \$1.2 million in Company restaurant re-images, \$0.8 million of information technology projects, and \$0.7 million in other capital assets to maintain, replace and extend the lives of Company-operated restaurant facilities and equipment
- second quarter last twelve months 2011 \$1.6 million for reopening a Company-operated restaurant in New Orleans, Company restaurant re-images, \$1.4 million of information technology projects, and \$0.5 million in other capital assets to maintain, replace and extend the lives of Company-operated restaurant facilities and equipment
- fiscal 2011, \$1.5 million in company restaurant reimages, \$0.8 million of information technology hardware and software and \$0.5 million in other capital assets to maintain, replace and extend the lives of company-operated restaurant facilities and equipment. (In fiscal 2011, maintenance capital expenditures exclude \$3.3 million related to the construction of the new corporate office, and \$1.5 million for the construction of new company-operated restaurants.),
- fiscal 2010, \$1.4 million for information technology hardware and software, \$1.2 million for reopening a company restaurant in New Orleans and restaurant reimagining and corporate office construction and \$0.6 million in other capital assets to maintain, replace and extend the lives of company-operated facilities and equipment);
- fiscal 2009, \$0.3 million for information technology hardware and software, and \$1.1 million in other capital assets to maintain, replace and extend the lives of company-operated QSR equipment and facilities; and
- fiscal 2008 \$0.4 million for information technology hardware and software, and \$1.6 million in other capital assets to maintain, replace and extend the lives of company-operated QSR equipment and facilities).

The following table reconciles on a historical basis for fiscal years 2011, 2010, 2009 and 2008, the Company’s free cash flow on a consolidated basis to the line on its Consolidated Statement of Operations and Comprehensive Income entitled net income, which the Company believes is the most directly comparable GAAP measure on its Consolidated Statement of Operations and Comprehensive Income to free cash flow:

(dollars in millions)	YTD Q2 2012	YTD Q2 2011	LTM Q2 2012	LTM Q2 2011	Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008
Net income	\$14.9	\$12.7	\$26.4	\$23.0	\$24.2	\$22.9	\$18.8	\$19.4
Depreciation and amortization	2.4	2.3	4.3	4.1	4.2	3.9	4.4	6.3
Stock-based compensation expense	2.5	1.4	4.0	2.9	2.9	2.7	1.9	2.5
Maintenance capital expenditures	(1.6)	(1.7)	(2.7)	(3.5)	(2.8)	(3.2)	(1.4)	(2.0)
Free cash flow	\$18.2	\$14.7	\$32.0	\$26.5	\$28.5	\$26.3	\$23.7	\$26.2

**CHERYL BACHELDER**  
**CHIEF EXECUTIVE OFFICER**



# ROADMAP TO RESULTS



Thank you!

