



BURGERFUEL WORLDWIDE PRESS RELEASE

Tuesday 20th November, 2012

PRELIMINARY HALF YEAR RESULT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012

CHAIRMAN'S REVIEW

The directors of Burger Fuel Worldwide Limited (BFW) are pleased to report that the unaudited net profit before tax (NPBT) is up 102% to \$454,356 for the six months to 30 September 2012.

This compares with a NPBT of \$224,554 for the same period last year.

Prior year tax losses in NZ have now been fully utilised and in FY13 it is necessary to carry a tax provision. The Group reported a net profit after tax (NPAT) of \$308,372 to 30 September 2012.

Total unaudited BurgerFuel Worldwide system sales are \$22,056,829 (excl GST) up 26.5% on the same period last year.

BFW RESULTS (UNAUDITED) FOR THE PERIOD 1 APRIL TO 30 SEPTEMBER 2012

	30 Sept 2012	30 Sept 2011
	\$000	\$000
Operating Revenue	5,364	4,870
Operating Expenses	<u>(4,910)</u>	<u>(4,645)</u>
NPBT	454	225
NPAT	308	225

Total operating revenue is up by 10.1% from \$4,869,700 to \$5,363,877. This takes into account the reduction in the company's revenue of \$524,662 as a result of the sale of the Australian company owned store to a franchisee.

The focus in FY13 has been on international expansion in the Middle East as well as the continued re-shaping of the New Zealand business. This better serves the overseas operations, as well as New Zealand.

Dubai has opened a new store in The Mall of the Emirates, the third largest shopping mall in the Middle East. More stores are currently under construction in Dubai and Saudi Arabia and they will open in this financial year. Egypt is also anticipated to open its first store toward the end of March 2013.

In New Zealand system sales remain strong and are up 5.8% with two new stores and one relocated.

New Zealand continues to grow with a further two stores opening after 30 September 2012. In Australia, we continue to operate one store under franchise and at this stage there are no further stores

planned there. The board will however continue to monitor and reassess this position.

Results for this period demonstrate a determined focus to grow company profits, whilst at the same time balancing out the need for further investment into our international expansion.

As at 30 September 2012 the group had \$2,310,829 in cash, up \$1,151,462 (99.3%) on the prior period and has no borrowings.

Whilst we are always mindful of returning profits to shareholders by way of dividends, it is essential at this time that we continue investment to support growth and take a long-term view of our business.

On behalf of the board of directors of Burger Fuel Worldwide Limited, I would like to thank all of our shareholders for their ongoing support.

Yours sincerely



Peter Brook
Chairman

CEO REPORT - FIRST HALF OF 2012

NEW ZEALAND

From 1 April to 30 September our New Zealand business has enjoyed an unaudited system sales increase of 5.8%.

The Hamilton region store locations were reviewed with the subsequent closure of our central city site and the opening of a new site at The Base shopping centre in the burgeoning northern suburbs.

Manukau was relocated to a preferred site and accordingly has increased its turnover. BurgerFuel has also opened a new store in Cuba Street, Wellington.

More recently (subsequent to 30 September 2012) we opened two new stores in Pukekohe and Silverdale. There are now 30 BurgerFuel outlets in NZ with more scheduled to open in the second half of this financial year.

Our newer sites feature our latest store designs that we intend to roll out to existing sites in the coming months. The dining-areas have more seating, appealing to a broader audience and bringing alive our "eco-licious" and cutting edge position in the market.

Kids Meals were introduced in this period and we also launched Radio BurgerFuel, which is now streaming live to all our stores in New Zealand and Australia. It's also available for public listening at www.radioburgerfuel.com.

The NZ business was successfully restructured in April to enable continued growth here in our home market. We are actively recruiting new franchisees for the main centres in the South Island and regional centres in the North Island. In Auckland and Wellington our existing franchisees are looking to open more stores and this is, in our view, a great endorsement of the strength of our brand and business model.

AUSTRALIA

Unaudited sales are up 6.1% for the 1 April to 30 September period.

Our company owned store was sold to a franchisee in August 2011, hence our Australian sales revenue is down on the prior period.

We continue to have one franchised site in Sydney and Australia remains a large potential market for us in the future.

MIDDLE EAST

BurgerFuel Middle East unaudited sales for the 1 April to 30 September period are up 141% showing the importance of maintaining a presence in this region. Many of the Middle Eastern stores have broken sales records this year during the Eid festival (that marks the end of Ramadan).

In a shining endorsement of the strength of our brand and business model, our existing Master Licensee in Dubai has acquired the Kuwait territory and also entered into a joint venture with the Abu Dhabi based Bin Hammoodah Group to open in the UAE city of Abu Dhabi in the near future. A new site has been opened in Dubai's Mall of Emirates and more sites are planned to open in Dubai before the end of the financial year.

We have shipped a full restaurant fit-out to our new Egypt licensee and look forward to Cairo being added to the list of world cities we operate in.

All our existing sites in Saudi Arabia are in its Eastern Province and within the next few weeks we will be opening in Riyadh, the capital of Saudi Arabia with a population of 5.3 million.

SUMMARY

BurgerFuel is performing strongly in every market that it operates in. Worldwide system sales (unaudited) have increased to \$22.1million, up 26.5% on the same period last year.

BurgerFuel's operating revenue is up 10.1% to \$5,363,877. Profitability continues to improve for our franchisees and for Burger Fuel Worldwide Ltd despite the fact we are continuing to invest for further growth.

We now have a variety of operating models that can be deployed in varying market places to deliver the BurgerFuel experience that our customers value.

Our brand has broader appeal than it did a year ago, serving a wider demographic of customers. We will continue with measured investment to *Engineer The Ultimate Burger* in more locations throughout New Zealand and overseas.

We continue to demonstrate BurgerFuel's scalability as well as its credibility in becoming an international brand in its own right. Onwards and upwards as we continue the trend of more stores and more of New Zealand's proudly exported, great tasting burgers.

Yours sincerely



Josef Roberts
Chief Executive Officer
BurgerFuel Worldwide