restaurant brands international

Trending Schedules

February 13, 2024

Included Within:

Consolidated Operational Highlights; Consolidated Statement of Operations; Consolidated Segment Results; Tim Hortons Segment Results; Burger King Segment Results; Popeyes Segment Results; Firehouse Segment Results; International Segment Results; Home Market and International Operational Metrics; Reconciliation of Income from Operations to AOI, Segment G&A to G&A, Net Income to Adjusted EBITDA; Reconciliation of Net Income to Adjusted Net Income and Adjusted Diluted EPS; Net Leverage, Reconciliation of Free Cash Flow and Net Interest Paid; Reconcilation of Organic Revenue and Organic Adjusted EBITDA Growth; Non-GAAP Definitions

Consolidated Operational Highlights
Unaudited

	Year-End	3 Months Ending				Year-End	3 Months Ending				Year-End
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
System-wide Sales Growth											
TH	10.4%	10.0%	14.8%	11.1%	10.5%	11.7%	16.1%	12.1%	8.1%	9.0%	11.0%
BK	4.2%	0.7%	0.2%	4.6%	5.5%	2.8%	8.5%	8.1%	6.4%	4.9%	6.9%
PLK	4.8%	1.2%	6.4%	8.1%	6.5%	5.6%	9.6%	9.9%	11.2%	11.2%	10.5%
FHS	–	–	–	–	–	–	8.7%	5.1%	6.7%	7.8%	7.1%
INTL	28.9%	33.8%	28.2%	24.2%	18.5%	25.6%	21.6%	21.5%	15.6%	12.8%	17.6%
Consolidated	**13.8%**	**13.5%**	**13.3%**	**13.4%**	**11.4%**	**12.9%**	**14.7%**	**14.0%**	**10.9%**	**9.6%**	**12.2%**
System-Wide Sales (in US$ millions)											
TH	$6,243	$1,457	$1,746	$1,828	$1,701	$6,732	$1,596	$1,872	$1,929	$1,849	$7,245
BK	10,475	2,481	2,734	2,764	2,768	10,747	2,684	2,949	2,938	2,903	11,474
PLK	5,086	1,259	1,359	1,369	1,351	5,338	1,374	1,488	1,520	1,503	5,886
FHS	–	272	292	289	301	1,154	289	303	304	298	1,194
INTL	13,691	3,389	3,636	3,862	3,813	14,700	3,889	4,334	4,532	4,332	17,087
Consolidated	**$35,495**	**$8,858**	**$9,767**	**$10,112**	**$9,934**	**$38,671**	**$9,832**	**$10,946**	**$11,223**	**$10,885**	**$42,886**
Comparable Sales											
TH	10.6%	8.6%	12.5%	10.2%	10.1%	10.4%	14.9%	11.8%	7.6%	8.4%	10.4%
BK	4.8%	(0.3%)	0.5%	3.9%	5.0%	2.3%	8.7%	8.3%	6.6%	6.3%	7.4%
PLK	(1.9%)	(4.7%)	(0.4%)	1.1%	1.7%	(0.6%)	3.6%	4.4%	5.6%	5.5%	4.8%
FHS	–	–	–	–	–	–	6.2%	2.2%	3.5%	3.5%	3.8%
INTL	14.2%	20.1%	17.3%	14.9%	10.5%	15.4%	12.6%	12.0%	7.7%	4.6%	9.0%
Consolidated	**7.9%**	**7.4%**	**8.2%**	**8.6%**	**7.5%**	**7.9%**	**10.3%**	**9.6%**	**7.0%**	**5.8%**	**8.1%**
Net Restaurant Growth											
TH	0.5%	(0.1%)	(0.4%)	(0.8%)	(1.1%)	(1.1%)	(0.9%)	(0.8%)	(0.4%)	0.1%	0.1%
BK	0.7%	0.2%	(0.2%)	(0.1%)	(0.6%)	(0.6%)	(1.3%)	(1.8%)	(2.4%)	(3.3%)	(3.3%)
PLK	6.4%	6.6%	6.5%	6.9%	6.7%	6.7%	6.3%	5.6%	5.3%	4.9%	4.9%
FHS	–	–	–	–	2.4%	2.4%	2.2%	2.0%	2.5%	3.0%	3.0%
INTL	7.8%	8.1%	7.8%	7.3%	9.1%	9.1%	8.9%	9.2%	9.5%	8.9%	8.9%
Consolidated	**4.5%**	**4.3%**	**4.0%**	**3.9%**	**4.4%**	**4.4%**	**4.2%**	**4.1%**	**4.2%**	**3.9%**	**3.9%**
System Restaurant Count at Period End											
TH	4,571	4,547	4,537	4,521	4,519	4,519	4,507	4,501	4,502	4,525	4,525
BK	7,433	7,415	7,388	7,401	7,389	7,389	7,317	7,258	7,224	7,144	7,144
PLK	3,031	3,068	3,118	3,162	3,235	3,235	3,260	3,294	3,329	3,394	3,394
FHS	1,213	1,219	1,233	1,234	1,242	1,242	1,233	1,244	1,251	1,265	1,265
INTL	13,208	12,507	12,651	12,830	13,517	13,517	13,639	13,828	14,069	14,742	14,742
Consolidated	**29,456**	**28,756**	**28,927**	**29,148**	**29,902**	**29,902**	**29,956**	**30,125**	**30,375**	**31,070**	**31,070**

Note: Consolidated results include BK Russia from 1/1/21 to 12/31/21. Beginning 1/1/22, consolidated results exclude BK Russia, with the exception of 2 months of royalties in the first quarter of 2022. Consolidated SWS growth, NRG and comparable sales do not include the results of FHS (which was acquired 12/15/21) for Q1'21-Q3'22.

Consolidated Statement of Operations
Audited, $ in millions (nominal)

	Year-End	3 Months Ending				Year-End	3 Months Ending				Year-End
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
Sales	$2,378	$609	$708	$759	$743	$2,819	$668	$744	$771	$767	$2,950
Franchise and Property Revenues	2,443	615	676	698	672	2,661	668	742	753	740	2,903
Advertising Revenues and Other Services	918	227	255	269	274	1,025	254	289	313	313	1,169
Total Revenues	**$5,739**	**$1,451**	**$1,639**	**$1,726**	**$1,689**	**$6,505**	**$1,590**	**$1,775**	**$1,837**	**$1,820**	**$7,022**
Cost of Sales	$1,890	$494	$584	$615	$619	$2,312	$550	$612	$630	$643	$2,435
Franchise and Property Expenses	489	130	125	137	126	518	123	130	119	140	512
Advertising Expenses and Other Services	986	247	259	276	295	1,077	271	312	326	364	1,273
General and Adminstrative Expenses ("G&A")	484	133	146	156	196	631	175	163	169	197	704
(Income) Loss from Equity Method Investments ("EMIs")	4	13	9	8	14	44	7	11	1	(27)	(8)
Other Operating Expenses (Income), Net	7	(16)	(25)	(27)	93	25	17	(7)	10	35	55
Total Operating Costs and Expenses	**$3,860**	**$1,001**	**$1,098**	**$1,165**	**$1,343**	**$4,607**	**$1,143**	**$1,221**	**$1,255**	**$1,352**	**$4,971**
Income from Operations	$1,879	$450	$541	$561	$346	$1,898	$447	$554	$582	$468	$2,051
Interest Expense, Net	505	127	129	133	144	533	142	145	143	152	582
Loss on Early Extinguishment of Debt	11	–	–	–	–	–	–	–	16	–	16
Income Before Income Taxes	1,363	323	412	428	202	1,365	305	409	423	316	1,453
Income Tax Expense (Benefit)	110	53	66	(102)	(134)	(117)	28	58	59	(410)	(265)
Net Income	**$1,253**	**$270**	**$346**	**$530**	**$336**	**$1,482**	**$277**	**$351**	**$364**	**$726**	**$1,718**
Net Income Attributable to Noncontrolling Interests	415	87	110	170	107	474	88	110	112	218	528
Net Income Attributable to Common Shareholders	**$838**	**$183**	**$236**	**$360**	**$229**	**$1,008**	**$189**	**$241**	**$252**	**$508**	**$1,190**
Earnings per Common Share:											
Basic	$2.71	$0.59	$0.77	$1.18	$0.75	$3.28	$0.61	$0.77	$0.80	$1.63	$3.82
Diluted	$2.69	$0.59	$0.76	$1.17	$0.74	$3.25	$0.61	$0.77	$0.79	$1.60	$3.76
Weighted Average Shares Outstanding (mms):											
Basic	310	309	308	306	306	307	309	312	314	313	312
Diluted	464	458	455	454	455	455	456	458	459	453	456

Note: Consolidated results include BK Russia from 1/1/21 to 12/31/21. Beginning 1/1/22, consolidated results exclude BK Russia, with the exception of 2 months of royalties in the first quarter of 2022.

Selected Consolidated Results
Unaudited, $ in millions (nominal)

	Year-End	3 Months Ending				Year-End	3 Months Ending				Year-End
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
System-wide Sales Growth	13.8%	13.5%	13.3%	13.4%	11.4%	12.9%	14.7%	14.0%	10.9%	9.6%	12.2%
System-wide Sales	$35,495	$8,858	$9,767	$10,112	$9,934	$38,671	$9,832	$10,946	$11,223	$10,885	$42,886
Comparable Sales	7.9%	7.4%	8.2%	8.6%	7.5%	7.9%	10.3%	9.6%	7.0%	5.8%	8.1%
Net Restaurant Growth	4.5%	4.3%	4.0%	3.9%	4.4%	4.4%	4.2%	4.1%	4.2%	3.9%	3.9%
System Restaurant Count at Period End	29,456	28,756	28,927	29,148	29,902	29,902	29,956	30,125	30,375	31,070	31,070
Consolidated P&L											
Sales	$2,378	$609	$708	$759	$743	$2,819	$668	$744	$771	$767	$2,950
Franchise and Property Revenues	$2,443	615	676	698	672	$2,661	668	742	753	740	2,903
Advertising Revenues and Other Services	918	227	255	269	274	1,025	254	289	313	313	1,169
Total Revenues	**$5,739**	**$1,451**	**$1,639**	**$1,726**	**$1,689**	**$6,505**	**$1,590**	**$1,775**	**$1,837**	**$1,820**	**$7,022**
Cost of Sales	1,890	494	584	615	619	2,312	550	612	630	643	2,435
Franchise and Property Expenses	489	130	125	137	126	518	123	130	119	140	512
Advertising Expenses and Other Services	986	247	259	276	295	1,077	271	312	326	364	1,273
Segment G&A	450	129	136	141	155	561	151	156	164	176	647
Adjustments:											
Franchise Agreement Amortization	32	8	8	8	8	32	8	8	7	8	31
Cash Distributions Received from EMIs	21	3	3	5	3	14	3	3	4	4	14
AOI	**$1,977**	**$462**	**$546**	**$570**	**$506**	**$2,084**	**$505**	**$577**	**$609**	**$509**	**$2,200**
Share-based compensation and non-cash incentive compensation expense ("SBC")	102	27	32	34	43	136	45	47	49	53	194
Segment Depreciation and Amortization	169	41	40	38	39	158	38	41	40	41	160
Adjusted EBITDA	**$2,248**	**$530**	**$618**	**$642**	**$588**	**$2,378**	**$588**	**$665**	**$698**	**$603**	**$2,554**
Organic Growth YoY	*17.1%*	*9.2%*	*8.7%*	*8.3%*	*4.0%*	*7.5%*	*15.6%*	*10.3%*	*9.3%*	*2.6%*	*9.3%*
Disaggregation of Total Revenues											
Sales	$2,378	$609	$708	$759	$743	$2,819	$668	$744	$771	$767	$2,950
Royalties	1,561	403	438	451	445	1,737	442	491	503	484	1,920
Property Revenues	793	188	209	214	202	813	196	220	221	214	851
Franchise Fees and Other Revenue	89	24	29	33	25	111	30	31	29	42	132
Advertising Revenues and Other Services	918	227	255	269	274	1,025	254	289	313	313	1,169
Total Revenues	**$5,739**	**$1,451**	**$1,639**	**$1,726**	**$1,689**	**$6,505**	**$1,590**	**$1,775**	**$1,837**	**$1,820**	**$7,022**
Organic Growth YoY	*11.5%*	*13.5%*	*15.1%*	*16.5%*	*12.8%*	*14.5%*	*13.9%*	*11.4%*	*7.6%*	*7.7%*	*9.9%*

Note: Consolidated results include BK Russia from 1/1/21 to 12/31/21. Beginning 1/1/22, consolidated results exclude BK Russia, with the exception of 2 months of royalties in the first quarter of 2022. Consolidated SWS growth, NRG and comparable sales do not include results of FHS (which was acquired 12/15/21) for Q1'21-Q3'22.

Tim Hortons ("TH") Segment Results
Unaudited, $ in millions (nominal)

	Year-End	3 Months Ending				Year-End	3 Months Ending				Year-End
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
System-wide Sales Growth	10.4%	10.0%	14.8%	11.1%	10.5%	11.7%	16.1%	12.1%	8.1%	9.0%	11.0%
System-wide Sales	$6,243	$1,457	$1,746	$1,828	$1,701	$6,732	$1,596	$1,872	$1,929	$1,849	$7,245
Comparable Sales	10.6%	8.6%	12.5%	10.2%	10.1%	10.4%	14.9%	11.8%	7.6%	8.4%	10.4%
Net Restaurant Growth	0.5%	(0.1%)	(0.4%)	(0.8%)	(1.1%)	(1.1%)	(0.9%)	(0.8%)	(0.4%)	0.1%	0.1%
System Restaurant Count at Period End	4,571	4,547	4,537	4,521	4,519	4,519	4,507	4,501	4,502	4,525	4,525
Segment P&L											
Sales	$2,249	$566	$661	$710	$694	$2,631	$618	$688	$718	$701	$2,725
Franchise and Property Revenues	853	201	233	245	225	905	213	247	253	241	955
Advertising Revenues and Other Services	229	57	69	72	68	266	62	73	82	76	292
Total Revenues	**$3,331**	**$825**	**$963**	**$1,026**	**$987**	**$3,801**	**$893**	**$1,008**	**$1,052**	**$1,018**	**$3,972**
Cost of Sales	1,765	453	537	568	573	2,131	505	562	582	583	2,231
Franchise and Property Expenses	336	81	84	87	80	332	79	85	80	81	325
Advertising Expenses and Other Services	277	68	71	74	69	282	65	78	84	81	309
Segment G&A	133	35	38	36	42	151	37	41	43	47	168
Adjustments:											
Franchise Agreement Amortization	8	2	2	2	2	7	2	2	2	2	6
Cash Distributions Received from EMIs	17	3	3	5	2	13	3	3	4	4	14
AOI	**$845**	**$193**	**$237**	**$269**	**$226**	**$925**	**$212**	**$246**	**$269**	**$231**	**$958**
SBC	32	8	9	9	11	37	12	13	13	14	51
Segment Depreciation and Amortization	123	29	27	26	26	108	25	26	25	25	101
Adjusted EBITDA	**$999**	**$230**	**$273**	**$304**	**$263**	**$1,070**	**$248**	**$285**	**$307**	**$271**	**$1,111**
Disaggregation of Total Revenues											
Sales	$2,249	$566	$661	$710	$694	$2,631	$618	$688	$718	$701	$2,725
Royalties	278	65	79	82	76	302	71	84	87	82	324
Property Revenues	556	130	149	154	144	577	137	158	161	153	609
Franchise Fees and Other Revenue	19	6	5	9	5	26	6	5	5	6	22
Advertising Revenues and Other Services	229	57	69	72	68	266	62	73	82	76	292
Total Revenues	**$3,331**	**$825**	**$963**	**$1,026**	**$987**	**$3,801**	**$893**	**$1,008**	**$1,052**	**$1,018**	**$3,972**
Average Exchange Rate (CAD)	*0.7980*	*0.7895*	*0.7835*	*0.7658*	*0.7368*	*0.7689*	*0.7398*	*0.7447*	*0.7456*	*0.7349*	*0.7413*
% Change YoY	-	*(0.0%)*	*(3.8%)*	*(3.5%)*	*(7.2%)*	*(3.6%)*	*(6.3%)*	*(4.9%)*	*(2.6%)*	*(0.3%)*	*(3.6%)*

Note: Includes results from Tim Hortons in Canada and the U.S. Amounts may not recalculate due to rounding. 2021 Advertising Expenses and Other Services included our C$80 million support behind the TH Canada advertising fund.

Burger King ("BK") Segment Results
Unaudited, $ in millions (nominal)

	Year-End 12/31/21	3 Months Ending 3/31/22	6/30/22	9/30/22	12/31/22	Year-End 12/31/22	3 Months Ending 3/31/23	6/30/23	9/30/23	12/31/23	Year-End 12/31/23
System-wide Sales Growth	4.2%	0.7%	0.2%	4.6%	5.5%	2.8%	8.5%	8.1%	6.4%	4.9%	6.9%
System-wide Sales	$10,475	$2,481	$2,734	$2,764	$2,768	$10,747	$2,684	$2,949	$2,938	$2,903	$11,474
Comparable Sales	4.8%	(0.3%)	0.5%	3.9%	5.0%	2.3%	8.7%	8.3%	6.6%	6.3%	7.4%
Net Restaurant Growth	0.7%	0.2%	(0.2%)	(0.1%)	(0.6%)	(0.6%)	(1.3%)	(1.8%)	(2.4%)	(3.3%)	(3.3%)
System Restaurant Count at Period End	7,433	7,415	7,388	7,401	7,389	7,389	7,317	7,258	7,224	7,144	7,144
Segment P&L											
Sales	$64	$16	$17	$19	$18	$70	$19	$24	$21	$33	$97
Franchise and Property Revenues	674	160	174	180	174	688	172	186	183	189	731
Advertising Revenues and Other Services	419	99	110	111	117	438	106	117	124	123	470
Total Revenues	**$1,156**	**$275**	**$301**	**$309**	**$310**	**$1,196**	**$297**	**$327**	**$329**	**$345**	**$1,297**
Cost of Sales	66	17	19	19	19	74	17	22	20	31	90
Franchise and Property Expenses	137	34	34	40	37	144	36	32	32	44	144
Advertising Expenses and Other Services	433	107	111	117	134	467	117	131	131	165	543
Segment G&A	110	27	29	33	37	126	34	35	37	39	145
Adjustments:											
Franchise Agreement Amortization	11	3	3	3	3	11	3	3	3	3	11
Cash Distributions Received from EMIs	–	–	–	–	–	–	–	–	–	–	–
AOI	**$421**	**$94**	**$112**	**$103**	**$87**	**$396**	**$96**	**$110**	**$111**	**$69**	**$386**
SBC	25	5	7	8	10	30	10	10	11	9	41
Segment Depreciation and Amortization	33	8	8	8	9	34	9	9	9	9	35
Adjusted EBITDA	**$480**	**$107**	**$128**	**$119**	**$105**	**$459**	**$115**	**$129**	**$131**	**$87**	**$462**
Disaggregation of Total Revenues											
Sales	$64	$16	$17	$19	$18	$70	$19	$24	$21	$33	$97
Royalties	435	103	115	116	116	450	113	125	124	121	483
Property Revenues	221	54	56	57	54	222	55	57	57	58	227
Franchise Fees and Other Revenue	17	3	3	7	4	16	3	4	3	10	20
Advertising Revenues and Other Services	419	99	110	111	117	438	106	117	124	123	470
Total Revenues	**$1,156**	**$275**	**$301**	**$309**	**$310**	**$1,196**	**$297**	**$327**	**$329**	**$345**	**$1,297**
Supplemental Information											
Fuel the Flame Investment (Included in Advertising Expe	–	–	–	–	$13	$13	$7	$12	$2	$40	$61

Note: Includes results from Burger King in the U.S. and Canada. Amounts may not recalculate due to rounding. Fuel the Flame includes Marketing and Digital investments.

Popeyes Louisiana Kitchen ("PLK") Segment Results
Unaudited, $ in millions (nominal)

	Year-End	3 Months Ending				Year-End	3 Months Ending				Year-End
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
System-wide Sales Growth	4.8%	1.2%	6.4%	8.1%	6.5%	5.6%	9.6%	9.9%	11.2%	11.2%	10.5%
System-wide Sales	$5,086	$1,259	$1,359	$1,369	$1,351	$5,338	$1,374	$1,488	$1,520	$1,503	$5,886
Comparable Sales	(1.9%)	(4.7%)	(0.4%)	1.1%	1.7%	(0.6%)	3.6%	4.4%	5.6%	5.5%	4.8%
Net Restaurant Growth	6.4%	6.6%	6.5%	6.9%	6.7%	6.7%	6.3%	5.6%	5.3%	4.9%	4.9%
System Restaurant Count at Period End	3,031	3,068	3,118	3,162	3,235	3,235	3,260	3,294	3,329	3,394	3,394
Segment P&L											
Sales	$64	$17	$20	$21	$20	$78	$21	$22	$22	$24	$89
Franchise and Property Revenues	265	66	75	72	72	284	73	82	80	79	314
Advertising Revenues and Other Services	230	59	63	64	70	256	66	69	75	79	289
Total Revenues	**$559**	**$142**	**$158**	**$157**	**$162**	**$619**	**$159**	**$173**	**$177**	**$182**	**$692**
Cost of Sales	58	16	19	19	18	72	19	20	20	22	80
Franchise and Property Expenses	8	2	5	2	2	11	2	6	2	2	12
Advertising Expenses and Other Services	233	60	64	65	71	261	67	70	77	81	295
Segment G&A	64	17	17	18	20	72	21	22	21	22	86
Adjustments:											
Franchise Agreement Amortization	2	1	1	1	1	2	1	1	1	1	2
Cash Distributions Received from EMIs	–	–	–	–	–	–	–	–	–	–	–
AOI	**$198**	**$47**	**$54**	**$52**	**$52**	**$205**	**$51**	**$56**	**$58**	**$56**	**$221**
SBC	14	4	5	5	6	20	6	7	6	7	26
Segment Depreciation and Amortization	7	2	2	2	2	8	2	2	2	2	9
Adjusted EBITDA	**$219**	**$53**	**$60**	**$59**	**$60**	**$232**	**$59**	**$65**	**$67**	**$66**	**$257**
Disaggregation of Total Revenues											
Sales	$64	$17	$20	$21	$20	$78	$21	$22	$22	$24	$89
Royalties	247	62	67	67	67	263	68	73	75	74	291
Property Revenues	13	3	3	3	3	12	3	3	3	3	13
Franchise Fees and Other Revenue	5	1	5	1	2	8	1	5	2	2	10
Advertising Revenues and Other Services	230	59	63	64	70	256	66	69	75	79	289
Total Revenues	**$559**	**$142**	**$158**	**$157**	**$162**	**$619**	**$159**	**$173**	**$177**	**$182**	**$692**

Note: Includes results from Popeyes in the U.S. and Canada. Amounts may not recalculate due to rounding.

Firehouse Subs ("FHS") Segment Results

Unaudited, $ in millions (nominal)

	Year-End	3 Months Ending				Year-End	3 Months Ending				Year-End
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
System-wide Sales Growth	25.1%	7.4%	2.2%	3.8%	3.9%	4.2%	8.7%	5.1%	6.7%	7.8%	7.1%
System-wide Sales	$1,091	$272	$292	$289	$301	$1,154	$289	$303	$304	$298	$1,194
Comparable Sales	20.9%	4.2%	(1.4%)	0.0%	0.4%	0.6%	6.2%	2.2%	3.5%	3.5%	3.8%
Net Restaurant Growth	1.6%	1.8%	2.5%	2.5%	2.4%	2.4%	2.2%	2.0%	2.5%	3.0%	3.0%
System Restaurant Count at Period End	1,213	1,219	1,233	1,234	1,242	1,242	1,233	1,244	1,251	1,265	1,265
Segment P&L											
Sales	$1	$10	$10	$9	$11	$40	$10	$10	$10	$10	$39
Franchise and Property Revenues	4	20	22	21	22	85	23	24	27	26	99
Advertising Revenues and Other Services	0	1	1	8	3	13	4	14	15	15	48
Total Revenues	**$5**	**$31**	**$33**	**$38**	**$36**	**$138**	**$37**	**$48**	**$51**	**$51**	**$187**
Cost of Sales	1	8	9	9	9	35	8	9	8	8	34
Franchise and Property Expenses	1	2	2	2	1	7	2	2	4	1	9
Advertising Expenses and Other Services	0	0	1	7	4	12	5	14	15	15	49
Segment G&A	1	12	13	14	13	52	13	13	14	18	58
Adjustments:											
Franchise Agreement Amortization	–	–	1	0	0	1	–	–	–	–	1
Cash Distributions Received from EMIs	–	–	–	–	–	–	–	–	–	–	–
AOI	**$2**	**$8**	**$8**	**$9**	**$8**	**$33**	**$9**	**$11**	**$10**	**$8**	**$38**
SBC	0	1	2	2	3	8	3	4	4	6	17
Segment Depreciation and Amortization	0	1	1	1	1	3	1	1	1	1	3
Adjusted EBITDA	**$2**	**$10**	**$11**	**$11**	**$12**	**$44**	**$13**	**$15**	**$15**	**$15**	**$58**
Disaggregation of Total Revenues											
Sales	$1	$10	$10	$9	$11	$40	$10	$10	$10	$10	$39
Royalties	2	16	17	16	18	66	17	18	17	17	69
Property Revenues	–	–	–	–	–	–	–	–	–	–	–
Franchise Fees and Other Revenue	2	5	5	5	5	19	6	6	9	10	31
Advertising Revenues and Other Services	0	1	1	8	3	13	4	14	15	15	48
Total Revenues	**$5**	**$31**	**$33**	**$38**	**$36**	**$138**	**$37**	**$48**	**$51**	**$51**	**$187**

Note: For 2022, FHS system-wide sales growth, system-wide sales, comparable sales and net restaurant growth are for the period from 12/27/21 through 12/31/22. FHS system-wide sales and restaurant count include 14 FHS restaurants in Puerto Rico ("FHS PR") in 2022 but exclude in 2023. For the purpose of calculating FHS system-wide sales growth, net restaurant growth and comparable sales, we exclude FHS PR in both the current and prior year periods. Amounts may not recalculate due to rounding.

International ("INTL") Segment Results
Unaudited, $ in millions (nominal)

	Year-End	3 Months Ending				Year-End	3 Months Ending				Year-End
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
System-wide Sales Growth	28.9%	33.8%	28.2%	24.2%	18.5%	25.6%	21.6%	21.5%	15.6%	12.8%	17.6%
System-wide Sales	$13,691	$3,389	$3,636	$3,862	$3,813	$14,700	$3,889	$4,334	$4,532	$4,332	$17,087
Comparable Sales	14.2%	20.1%	17.3%	14.9%	10.5%	15.4%	12.6%	12.0%	7.7%	4.6%	9.0%
Net Restaurant Growth	7.8%	8.1%	7.8%	7.3%	9.1%	9.1%	8.9%	9.2%	9.5%	8.9%	8.9%
System Restaurant Count at Period End	13,208	12,507	12,651	12,830	13,517	13,517	13,639	13,828	14,069	14,742	14,742
Segment P&L											
Sales	–	–	–	–	–	–	–	–	–	–	–
Franchise and Property Revenues	647	167	172	182	178	699	187	203	210	204	804
Advertising Revenues and Other Services	41	11	12	13	15	51	16	16	18	21	70
Total Revenues	**$688**	**$178**	**$183**	**$195**	**$194**	**$750**	**$203**	**$219**	**$228**	**$224**	**$874**
Cost of Sales	–	–	–	–	–	–	–	–	–	–	–
Franchise and Property Expenses	7	11	0	6	6	24	5	5	1	12	22
Advertising Expenses and Other Services	43	11	12	14	16	54	18	18	20	21	77
Segment G&A	142	38	39	40	43	160	46	45	49	50	190
Adjustments:											
Franchise Agreement Amortization	11	3	3	3	3	10	3	3	3	3	11
Cash Distributions Received from EMIs	4	–	–	–	1	1	–	–	–	–	–
AOI	**$511**	**$120**	**$135**	**$137**	**$133**	**$525**	**$137**	**$154**	**$161**	**$145**	**$597**
SBC	31	8	10	11	13	41	14	13	14	17	58
Segment Depreciation and Amortization	6	1	2	1	2	7	2	3	3	3	11
Adjusted EBITDA	**$548**	**$130**	**$146**	**$149**	**$148**	**$573**	**$153**	**$171**	**$178**	**$164**	**$666**
Disaggregation of Total Revenues											
Sales	–	–	–	–	–	–	–	–	–	–	–
Royalties	599	156	161	170	168	655	173	192	199	189	753
Property Revenues	4	1	1	1	1	2	1	–	–	1	2
Franchise Fees and Other Revenue	45	10	10	12	10	42	14	10	11	14	49
Advertising Revenues and Other Services	41	11	12	13	15	51	16	16	18	21	70
Total Revenues	**$688**	**$178**	**$183**	**$195**	**$194**	**$750**	**$203**	**$219**	**$228**	**$224**	**$874**
Average Exchange Rate (EUR)	*1.1833*	*1.1226*	*1.0649*	*1.0068*	*1.0215*	*1.0539*	*1.0731*	*1.0891*	*1.0879*	*1.0767*	*1.0817*
% Change YoY	*-*	*(6.9%)*	*(11.7%)*	*(14.6%)*	*(10.7%)*	*(10.9%)*	*(4.4%)*	*2.3%*	*8.1%*	*5.4%*	*2.6%*

Note: INTL excludes results from the U.S. and Canada. Results include BK Russia from 1/1/21 to 12/31/21. Beginning 1/1/22, INTL results exclude BK Russia, with the exception of 2 months of royalties in Q1'2022. INTL excludes FHS Puerto Rico from 1/1/22 to 12/31/22. FHS Puerto Rico was reclassified to INTL on 1/1/23. Amounts may not recalculate due to

Supplemental Operational Information
Home Market and International Results by Brand

	Year-End	3 Months Ending				Year-End	3 Months Ending				Year-End
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
System-wide Sales Growth											
TH - Canada	10.5%	11.7%	16.7%	12.1%	11.2%	12.9%	16.6%	12.8%	8.5%	9.3%	11.5%
BK - US	3.9%	0.2%	(0.3%)	4.4%	5.3%	2.4%	8.1%	7.9%	6.0%	4.6%	6.6%
PLK - US	4.1%	0.6%	6.0%	7.7%	6.1%	5.1%	9.1%	9.4%	11.0%	11.2%	10.2%
FHS - US	24.3%	6.7%	1.6%	3.3%	4.0%	3.9%	7.4%	4.8%	6.6%	7.4%	6.9%
International:											
TH	96.6%	83.0%	54.7%	66.5%	44.6%	60.2%	44.3%	67.5%	34.1%	21.4%	39.7%
BK	27.4%	32.2%	26.5%	21.7%	16.0%	23.6%	19.1%	18.5%	13.2%	10.4%	15.1%
PLK	48.6%	46.9%	60.5%	67.1%	66.3%	60.8%	66.7%	66.4%	60.2%	55.0%	61.4%
FHS	–	–	–	–	–	–	8.9%	3.1%	16.6%	51.2%	18.3%
System-wide Sales (in US$ millions)											
TH - Canada	$5,556	$1,301	$1,568	$1,645	$1,518	$6,032	$1,420	$1,683	$1,737	$1,654	$6,494
BK - US	10,033	2,375	2,611	2,641	2,651	10,278	2,568	2,816	2,800	2,773	10,957
PLK - US	4,775	1,184	1,275	1,280	1,262	5,001	1,292	1,395	1,421	1,404	5,511
FHS - US	1,044	260	278	276	288	1,102	276	289	290	283	1,138
International:											
TH	$283	$99	$92	$117	$124	$431	$136	$152	$159	$153	$600
BK	12,975	3,166	3,400	3,582	3,507	13,656	3,557	3,952	4,125	3,911	15,545
PLK	433	124	144	163	182	613	193	226	244	264	927
FHS	–	–	–	–	–	–	3	4	4	4	15
Comparable Sales											
TH - Canada	10.8%	10.1%	14.2%	11.1%	11.0%	11.6%	15.5%	12.5%	8.1%	8.7%	10.9%
BK - US	4.7%	(0.5%)	0.4%	4.0%	5.0%	2.2%	8.7%	8.3%	6.6%	6.4%	7.5%
PLK - US	(2.0%)	(4.6%)	(0.1%)	1.3%	1.5%	(0.5%)	3.4%	4.2%	5.6%	5.8%	4.8%
FHS - US	21.0%	4.5%	(1.2%)	0.3%	1.0%	1.1%	6.7%	2.6%	3.9%	3.8%	4.2%
International:											
TH	11.1%	4.4%	4.8%	1.9%	(4.3%)	0.9%	(3.0%)	3.3%	(4.5%)	(6.3%)	(3.1%)
BK	13.9%	20.3%	17.2%	14.7%	10.2%	15.3%	12.5%	11.7%	7.6%	4.6%	8.9%
PLK	27.3%	23.3%	28.7%	31.6%	29.2%	28.4%	29.8%	27.4%	21.0%	14.9%	22.5%
FHS	–	–	–	–	–	–	1.1%	(2.7%)	(1.8%)	(7.6%)	(2.9%)

Note: INTL results exclude U.S. for TH and Canada for BK, PLK and FHS. BK INTL includes Russia from 1/1/21 to 12/31/21. FHS INTL excludes Puerto Rico from 1/1/21 to 12/31/22. Restaurants in Puerto Rico were reclassified to INTL beginning 1/1/23. FHS figures for 2021 are shown for informational purposes only.

Supplemental Operational Information
Home Market and International Results by Brand (Continued)

	Year-End	3 Months Ending				Year-End	3 Months Ending				Year-End
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
Net Restaurant Growth											
TH - Canada	0.3%	(0.2%)	(0.5%)	(1.0%)	(1.3%)	(1.3%)	(1.2%)	(1.0%)	(0.6%)	(0.1%)	(0.1%)
BK - US	0.3%	(0.1%)	(0.5%)	(0.4%)	(0.9%)	(0.9%)	(1.7%)	(2.2%)	(2.8%)	(3.7%)	(3.7%)
PLK - US	5.6%	5.7%	6.0%	6.1%	6.1%	6.1%	5.9%	5.1%	5.0%	4.5%	4.5%
FHS - US	1.0%	1.0%	1.9%	2.2%	2.0%	2.0%	1.6%	1.2%	1.8%	0.7%	0.7%
International:											
TH	79.6%	77.3%	60.1%	52.2%	50.1%	50.1%	44.0%	42.5%	35.6%	21.0%	21.0%
BK	5.1%	4.8%	4.8%	4.3%	5.3%	5.3%	5.1%	5.2%	5.6%	5.7%	5.7%
PLK	11.8%	13.9%	15.4%	18.0%	27.0%	27.0%	30.6%	33.0%	36.3%	37.5%	37.5%
FHS	–	–	–	–	–	–	7.7%	15.4%	15.4%	21.4%	21.4%
System Restaurant Count at Period End											
TH - Canada	3,949	3,928	3,917	3,899	3,896	3,896	3,882	3,878	3,874	3,894	3,894
BK - US	7,105	7,088	7,058	7,062	7,042	7,042	6,964	6,900	6,864	6,778	6,778
PLK - US	2,754	2,784	2,827	2,858	2,921	2,921	2,947	2,972	3,000	3,051	3,051
FHS - US	1,164	1,169	1,181	1,180	1,187	1,187	1,174	1,182	1,188	1,195	1,195
International:											
TH	720	773	815	884	1,081	1,081	1,113	1,161	1,199	1,308	1,308
BK	11,814	11,031	11,103	11,180	11,580	11,580	11,594	11,677	11,811	12,240	12,240
PLK	674	703	733	766	856	856	918	975	1,044	1,177	1,177
FHS	–	–	–	–	–	–	14	15	15	17	17

Note: INTL results exclude U.S. for TH and Canada for BK, PLK and FHS. BK INTL includes Russia from 1/1/21 to 12/31/21. FHS INTL excludes Puerto Rico from 1/1/21 to 12/31/22. Restaurants in Puerto Rico were reclassified to International beginning 1/1/23. FHS figures from 1/1/21 through 12/14/21 are shown for informational purposes only.

Reconciliation of Income from Operations to AOI, Net Income to Adjusted EBITDA and Segment G&A to G&A

$ in millions (nominal)

	Year-End	3 Months Ending				Year-End	3 Months Ending				Year-End
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
Income from Operations	$1,879	$450	$541	$561	$346	$1,898	$447	$554	$582	$468	$2,051
Franchise Agreement Amortization	32	8	8	8	8	32	8	8	7	8	31
FHS Transaction Costs	18	1	4	3	16	24	19	–	–	–	19
Corporate Restructuring and Advisory Fees	16	3	6	12	25	46	5	7	5	21	38
Impact of Equity Method Investments	25	16	12	13	18	59	9	15	5	(23)	6
Other Operating Expenses (Income), net	7	(16)	(25)	(27)	93	25	17	(7)	10	35	55
AOI	$1,977	$462	$546	$570	$506	$2,084	$505	$577	$609	$509	$2,200
AOI											
Tim Hortons	$845	$193	$237	$269	$226	$925	$212	$246	$269	$231	$958
Burger King	421	94	112	103	87	396	96	110	111	69	386
Popeyes	198	47	54	52	52	205	51	56	58	56	221
Firehouse	2	8	8	9	8	33	9	11	10	8	38
International	511	120	135	137	133	525	137	154	161	145	597
Consolidated	$1,977	$462	$546	$570	$506	$2,084	$505	$577	$609	$509	$2,200
Segment G&A	$450	$129	$136	$141	$155	$561	$151	$156	$164	$176	$647
FHS Transaction Costs	18	1	4	3	16	24	19	–	–	–	19
Corporate Restructuring and Advisory Fees	16	3	6	12	25	46	5	7	5	21	38
General and Administrative Expenses	$484	$133	$146	$156	$196	$631	$175	$163	$169	$197	$704
Net Income	$1,253	$270	$346	$530	$336	$1,482	$277	$351	$364	$726	$1,718
Income Tax (Benefit) Expense	110	53	66	(102)	(134)	(117)	28	58	59	(410)	(265)
Loss on Early Extinguishment of Debt	11	–	–	–	–	–	–	–	16	–	16
Interest Expense, net	505	127	129	133	144	533	142	145	143	152	582
Income from Operations	$1,879	$450	$541	$561	$346	$1,898	$447	$554	$582	$468	$2,051
Franchise Agreement Amortization ("FAA")	32	8	8	8	8	32	8	8	7	8	31
FHS Transaction Costs	18	1	4	3	16	24	19	–	–	–	19
Corporate Restructuring and Advisory Fees	16	3	6	12	25	46	5	7	5	21	38
Impact of Equity Method Investments	25	16	12	13	18	59	9	15	5	(23)	6
Other Operating Expenses (Income), net	7	(16)	(25)	(27)	93	25	17	(7)	10	35	55
Depreciation and Amortization, Excluding FAA	169	41	40	38	39	158	38	41	40	41	160
SBC	102	27	32	34	43	136	45	47	49	53	194
Adjusted EBITDA	$2,248	$530	$618	$642	$588	$2,378	$588	$665	$698	$603	$2,554

Note: Amounts may not recalculate due to rounding.

Reconcilation of Net Income to Adjusted Net Income and Adjusted Diluted EPS
$ in millions except per share data

	Year-End	3 Months Ending				Year-End	3 Months Ending				Year-End
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
Net Income	$1,253	$270	$346	$530	$336	$1,482	$277	$351	$364	$726	$1,718
Income Tax (Benefit) Expense	110	53	66	(102)	(134)	(117)	28	58	59	(410)	(265)
Income Before Income Taxes	$1,363	$323	$412	$428	$202	$1,365	$305	$409	$423	$316	$1,453
Adjustments:											
Franchise Agreement Amortization	$32	$8	$8	$8	$8	$32	$8	$8	$7	$8	$31
Amortization of Deferred Financing Costs and Debt Issuance Discount	27	7	7	7	7	28	7	7	7	6	27
Interest Expense and Loss on Extinguished Debt	59	16	16	16	16	64	12	13	28	12	65
FHS Transaction Costs	18	1	4	3	16	24	19	–	–	–	19
Corporate Restructuring and Advisory Fees	16	3	6	12	25	46	5	7	5	21	38
Impact of Equity Method Investments	25	16	12	13	18	59	9	15	5	(23)	6
Other Operating Expenses (Income), net	7	(16)	(25)	(27)	93	25	17	(7)	10	35	55
Total Adjustments	$184	$35	$28	$32	$183	$278	$77	$43	$62	$59	$241
Adjusted Income Before Income Taxes	$1,547	$358	$440	$460	$385	$1,643	$382	$452	$485	$375	$1,694
Adjusted Income Tax Expense	239	63	67	24	59	213	42	65	72	35	214
Adjusted Net Income	$1,308	$295	$373	$436	$326	$1,430	$340	$387	$413	$340	$1,480
Adjusted Diluted Earnings per Share	$2.82	$0.64	$0.82	$0.96	$0.72	$3.14	$0.75	$0.85	$0.90	$0.75	$3.24
Weighted Average Diluted Shares Outstanding	464	458	455	454	455	455	456	458	459	453	456

Net Leverage, Reconciliation of Free Cash Flow and Net Interest Paid

$ in millions

restaurant brands international

Balance Sheet and Leverage	Year-End 12/31/21	As of 3/31/22	6/30/22	9/30/22	12/31/22	Year-End 12/31/22	As of 3/31/23	6/30/23	9/30/23	12/31/23	Year-End 12/31/23
Net Leverage											
Long-Term Debt, net of Current Portion	$12,916	$12,903	$12,881	$12,853	$12,839	$12,839	$12,821	$12,801	$12,862	$12,854	$12,854
Finance Leases, net of Current Portion	333	337	326	310	311	311	310	315	305	312	312
Current Portion of Long-Term Debt and Finance Leases	96	105	112	117	127	127	128	132	87	101	101
Unamortized Deferred Financing Costs and Deferred Issue Discount	138	131	125	118	111	111	105	98	128	122	122
Total Debt	**$13,483**	**$13,476**	**$13,444**	**$13,398**	**$13,388**	**$13,388**	**$13,364**	**$13,346**	**$13,382**	**$13,389**	**$13,389**
Cash and Cash Equivalents	1,087	895	838	946	1,178	1,178	1,033	1,213	1,310	1,139	1,139
Net Debt	**$12,396**	**$12,581**	**$12,606**	**$12,452**	**$12,210**	**$12,210**	**$12,331**	**$12,133**	**$12,072**	**$12,250**	**$12,250**
LTM Adjusted EBITDA	2,248	2,298	2,339	2,374	2,378	2,378	2,436	2,483	2,539	2,554	2,554
Adjusted EBITDA Net Leverage	5.5x	5.5x	5.4x	5.2x	5.1x	5.1x	5.1x	4.9x	4.8x	4.8x	4.8x

Free Cash Flow and Net Interest Paid	Year-End 12/31/21	3 Months Ending 3/31/22	6/30/22	9/30/22	12/31/22	Year-End 12/31/22	3 Months Ending 3/31/23	6/30/23	9/30/23	12/31/23	Year-End 12/31/23
Free Cash Flow											
Net Cash Provided by Operating Activities	$1,726	$234	$435	$398	$423	$1,490	$95	$392	$433	$403	$1,323
Payments for Property and Equipment	(106)	(10)	(18)	(24)	(48)	(100)	(18)	(30)	(25)	(47)	(120)
Free Cash Flow	$1,620	$224	$417	$374	$375	$1,390	$77	$362	$408	$356	$1,203
Net Interest Paid											
Interest Paid	$404	$75	134	$109	$169	$487	$163	$217	$164	$217	$761
Proceeds (Payments) from Derivatives, net within Investing Activities	12	3	5	10	45	63	11	12	12	71	106
Proceeds (Payments) from Derivatives, net within Financing Activities	(51)	(6)	–	14	26	34	29	34	37	41	141
Interest Income	3	–	1	2	4	7	7	9	13	11	40
Net Interest Paid	**$440**	**$78**	**$128**	**$83**	**$94**	**$383**	**$116**	**$162**	**$102**	**$94**	**$474**

Reconcilation of Organic Revenue, Organic Adjusted Operating Income and Organic Adjusted EBITDA Growth
$ in millions

	Year-End	3 Months Ending				Year-End	3 Months Ending				Year-End
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
Organic Revenue Growth											
Total Revenues Current Year Period	$5,739	$1,451	$1,639	$1,726	$1,689	$6,505	$1,590	$1,775	$1,837	$1,820	$7,022
- Total Revenues Prior Year Period	4,968	1,260	1,438	1,495	1,546	5,739	1,451	1,639	1,726	1,689	6,505
= $ Variance (Nominal)	**$771**	**$191**	**$201**	**$231**	**$143**	**$766**	**$139**	**$136**	**$111**	**$131**	**$517**
- FHS Impact	5	31	33	38	31	133	–	–	–	0	0
- Impact of FX Movements	176	(8)	(42)	(48)	(76)	(174)	(56)	(44)	(19)	1	(118)
= Organic Growth $	**$590**	**$168**	**$210**	**$241**	**$188**	**$807**	**$195**	**$180**	**$130**	**$130**	**$635**
Organic Revenue Growth %	11.5%	13.5%	15.1%	16.5%	12.8%	14.5%	13.9%	11.4%	7.6%	7.7%	9.9%
Organic AOI Growth											
Total AOI Current Year Period							$505	$577	$609	$509	$2,200
- Total AOI Prior Year Period							462	546	570	506	2,084
= $ Variance (Nominal)							**$43**	**$31**	**$39**	**$3**	**$116**
- FHS Impact							–	–	–	–	–
- Impact of FX Movements							(19)	(14)	(4)	0	(37)
= Organic Growth $							**$62**	**$45**	**$43**	**$3**	**$153**
Organic AOI Growth %							14.1%	8.9%	7.6%	0.5%	7.5%
Organic Adjusted EBITDA Growth											
Total Adjusted EBITDA Current Year Period	$2,248	$530	$618	$642	$588	$2,378	$588	$665	$698	$603	$2,554
- Total Adjusted EBITDA Prior Year Period	1,864	480	577	607	584	2,248	530	618	642	588	2,378
= $ Variance (Nominal)	**$384**	**$50**	**$41**	**$35**	**$4**	**$130**	**$58**	**$47**	**$56**	**$15**	**$176**
- FHS Impact	2	14	13	13	14	54	–	–	–	-	-
- Impact of FX Movements	55	(7)	(21)	(26)	(31)	(85)	(21)	(15)	(4)	0	(41)
= Organic Growth $	**$327**	**$43**	**$49**	**$48**	**$21**	**$161**	**$79**	**$62**	**$60**	**$15**	**$217**
Organic Adjusted EBITDA Growth %	17.1%	9.2%	8.7%	8.3%	4.0%	7.5%	15.6%	10.3%	9.3%	2.6%	9.3%

Note: Percentage changes may not recalculate due to rounding.

Non-GAAP Financial Measure Definitions

Non-GAAP Financial Measure	Definition
Adjusted Operating Income ("AOI")	Income from operations adjusted to exclude (i) franchise agreement amortization ("FAA") as a result of acquisition accounting, (ii) (income) loss from equity method investments, net of cash distributions received from equity method investments, (iii) other operating expenses (income), net and, (iv) income/expenses from non-recurring projects and non-operating activities. For the periods referenced in the following financial results, income/expenses from non-recurring projects and non-operating activities included (i) non-recurring fees and expense incurred in connection with the Firehouse Acquisition consisting of professional fees, compensation-related expenses and integration costs ("FHS Transaction costs"); and (ii) non-operating costs from professional advisory and consulting services associated with certain transformational corporate restructuring initiatives that rationalize our structure and optimize cash movements as well as services related to significant tax reform legislation and regulations ("Corporate restructuring and advisory fees"). Management believes that these types of expenses are either not related to our underlying profitability drivers or not likely to re-occur in the foreseeable future and the varied timing, size and nature of these projects may cause volatility in our results unrelated to the performance of our core business that does not reflect trends of our core operations. AOI is used by management to measure operating performance of the business, excluding these other specifically identified items that management believes are not relevant to management's assessment of our operating performance. AOI, as defined above, also represents our measure of segment income for each of our five operating segments.
EBITDA	Earnings (net income or loss) before interest expense, net, (gain) loss on early extinguishment of debt, income tax (benefit) expense, and depreciation and amortization and is used by management to measure operating performance of the business.
Adjusted EBITDA	EBITDA excluding (i) the non-cash impact of share-based compensation and non-cash incentive compensation expense, (ii) (income) loss from equity method investments, net of cash distributions received from equity method investments, (iii) other operating expenses (income), net, and (iv) income or expense from non-recurring projects and non-operating activities (as described above).
LTM Adjusted EBITDA	Adjusted EBITDA for the last twelve-month period to the date reported.
Adjusted Net Income	Net income excluding (i) franchise agreement amortization as a result of acquisition accounting, (ii) amortization of deferred financing costs and debt issuance discount, (iii) loss on early extinguishment of debt and interest expense, which represents non-cash interest expense related to losses reclassified from accumulated comprehensive income (loss) into interest expense in connection with interest rate swaps de-designated in May 2015, November 2019 and September 2021, (iv) (income) loss from equity method investments, net of cash distributions received from equity method investments, (v) other operating expenses (income), net, and (vi) income or expense from non-recurring projects and non-operating activities (as described above).
Adjusted Diluted EPS	Calculated by dividing Adjusted Net Income by the weighted average diluted shares outstanding of RBI during the reporting period. Adjusted Net Income and Adjusted Diluted EPS are used by management to evaluate the operating performance of the business, excluding certain non-cash and other specifically identified items that management believes are not relevant to management's assessment of operating performance
Free Cash Flow	Total of Net cash provided by operating activities minus Payments for property and equipment. Free Cash Flow is a liquidity measure used by management as one factor in determining the amount of cash that is available for working capital needs or other uses of cash, however, it does not represent residual cash flows available for discretionary expenditures. LTM Free Cash Flow is defined as Free Cash Flow for the last twelve-month period to the date reported
Net Interest Paid	Total of cash interest paid in the period, cash proceeds (payments) related to derivatives, net from both investing activities and financing activities and cash interest income received. This liquidity measure is used by management to understand the net effect of interest paid, received and related hedging payments and receipts