



Yum China Launches Taco Bell Brand in China

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Taco Bell Favorites Fine-Tuned for Chinese Consumers

SHANGHAI, Jan. 9, 2017 /PRNewswire/ -- Yum China Holdings, Inc. ("Yum China") (NYSE: YUMC), and Taco Bell Corp., the world's largest Mexican-inspired restaurant chain, today announced that they have opened the first Taco Bell restaurant in the second largest economy in the world: China. The inaugural restaurant is located near Shanghai's landmark Oriental Pearl Tower in the Lujiazui area, the city's central business district, and is Taco Bell's latest international market entry as it grows the brand globally.

"We are thrilled to bring Taco Bell to China with the official opening of the first restaurant at a spectacular location in Shanghai," said Micky Pant, Chief Executive Officer of Yum China. "Consumers in China today want the best the world has to offer, and Taco Bell is one of the most exciting brands anywhere. Leveraging our deep insights into Chinese consumer preferences, developed from close to 30 years operating in this market, we thoroughly researched and fine-tuned the Taco Bell menu for China and the initial response from customers is very encouraging."



The menu features the brand's favorites that have been adapted to local tastes. High quality ingredients coupled with newly developed sauces create items such as the Shrimp and Avocado Burrito unique to Taco Bell restaurants in China. The Crunchy Taco Supreme is now loaded with Taco Bell's signature Nacho Cheese Sauce and the Volcano Chicken Burrito features spicy Sriracha sauce.

Customers can also order shared plates featuring seasoned nacho chips, spicy fried chicken, and Mexican fries. These menu items pair perfectly with a variety of alcoholic beverages including ice-cold beer on draft and specialty cocktails like the Margarita and the Mojito. The Mexican inspired classics are made-to-order in a transparent, open kitchen where fans can see their food being handmade. Self-order kiosks allow consumers to study the menu and beat the rush at peak hours. The unique menu and ambience combine to create a totally unique and fun experience for Chinese consumers.

The official launch of the restaurant follows the soft opening during which Taco Bell fans have been sharing their love for the brand through social media posts, blogs, and videos. Over 1,000 fans participated in a selfie soft opening promotion and continue to voice their excitement for the brand's arrival in China.

Mr. Pant continued, "Taco Bell is an innovative brand with a strong heritage that we believe will resonate well with Chinese millennials. Built around the concept of 'Live Mas' -- literally meaning 'Live More' -- Taco Bell encourages its customers to try things they've never tried before. I look forward to creating experiences that surprise and delight people as we expand the Taco Bell brand in China."



The Shanghai restaurant showcases Taco Bell's classic California inspired look and design, perfect for enjoying meals worth sharing with friends and groups. The restaurant features guitars, graffiti art and surfboards hanging from the ceiling, while also integrating advanced technology throughout, including free Wi-Fi, digital ordering kiosks, digital menu boards and a range of payment options, providing customers with a fully immersive and convenient in-restaurant experience.

"Building restaurants in new international markets is a key component to the overall growth and evolution of Taco Bell and we've just scratched the surface of our global unit expansion potential," said Brian Niccol, Chief Executive Officer of Taco Bell Corp. "The opening of this Taco Bell restaurant in China is an exciting milestone for the brand as this market holds tremendous growth potential. We look forward to supporting Yum China as it builds Taco Bell's presence in the country."

Currently, Taco Bell has more than 7,000 restaurants in the world with over 300 in 26 countries outside of the United States. Taco Bell's first restaurant in China is part of the brand's global growth strategy of reaching 1,000 restaurants internationally by 2022.

Photos and video of the Taco Bell restaurant in Shanghai can be downloaded at the following link: <http://www.yumchina.com/uploadfile/tacobell.rar>

About Yum China Holdings

Yum China Holdings, Inc., with executive offices in Shanghai, China, is a licensee of Yum! Brands in mainland China. It has exclusive rights in mainland China to KFC, China's leading quick-service restaurant concept, Pizza Hut, the leading casual dining restaurant brand in China, and Taco Bell, which opened in China at the end of 2016. Yum China also owns the Little Sheep and East Dawning concepts outright. Yum China is well positioned for growth thanks to its strong competitive position, integration of its brands into Chinese popular culture and consumers' daily lives, expanding geographic footprint in China and existing operational expertise. It has a strong capital position, no external debt and expects to continue growing its system sales and profit by adding new restaurants and through growing same-store sales. Yum China has more than 7,300 restaurants and more than 400,000 employees in over 1,100 cities, and generated over \$8 billion in system sales in 2015. A new generation of younger consumers who are digitally sophisticated and brand driven are fueling growth in consumption in China. The ongoing growth of the middle class and urban population in China is expected to create the world's largest market for restaurant brands, with Yum China poised to be the market leader.

About Taco Bell Corp.

Taco Bell Corp., a subsidiary of Yum! Brands, Inc. (NYSE: YUM), is the leading Mexican-inspired quick service restaurant (QSR) brand in the United States. From breakfast to late night, Taco Bell serves made-to-order and customizable tacos and burritos, among other craveable choices, and is the first QSR restaurant to offer American Vegetarian Association (AVA)-certified menu items. Taco Bell and its more than 350 franchise organizations proudly serve over 42 million customers each week through 7,000 restaurants across the United States, as well as through its [mobile](#), [desktop](#) and [delivery](#) ordering services. Outside the United States, Taco Bell has over 300 restaurants, with plans to add 1,000 more restaurants internationally within the next decade. The brand encourages its fans to "Live Mas" and connects with them through sports, gaming and new music via its [Feed The Beat@](#) music program. Taco Bell also provides education opportunities and serves the community through its nonprofit organization, the [Taco Bell@ Foundation™](#), and connects fans with their passions through programs such as the [Live Mas Scholarship](#) program. In 2016, Taco Bell was named as one of *Fast Company's* Top 10 Most Innovative Companies in the World.

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About Yum! Brands

Yum! Brands, Inc., based in Louisville, Kentucky, has nearly 43,000 restaurants in 135 countries and territories and is one of the Aon Hewitt Top Companies for Leaders in North America. The Company's restaurant brands – KFC, Pizza Hut and Taco Bell – are the global leaders of the chicken, pizza and Mexican-style food categories. Worldwide, the Yum! Brands system opens over six new restaurants per day on average, making it a leader in global retail development.

Forward-Looking Statements

Certain statements in this communication contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. We intend all forward-looking statements to be covered by the safe harbor provisions of the

Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the fact that they do not relate strictly to historical or current facts and by the use of forward-looking words such as "expect," "expectation," "believe," "anticipate," "may," "could," "intend," "belief," "plan," "estimate," "target," "predict," "likely," "will," "should," "forecast," "outlook" or similar terminology. These statements are based on current estimates and assumptions made by Yum China or Taco Bell in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate and reasonable under the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct. Forward-looking statements include, without limitation, statements regarding the future business plans and earnings and performance of Yum China and Taco Bell, and anticipated effects of population and macroeconomic trends. Forward-looking statements are not guarantees of performance and are inherently subject to known and unknown risks and uncertainties that are difficult to predict and could cause our actual results to differ materially from those indicated by those statements. We cannot assure you that any of the expectations, estimates or assumptions expressed herein will be achieved. The forward-looking statements are only made as of the date indicated on the relevant materials, and Yum China, Yum! Brands and Taco Bell disclaim any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances. Numerous factors could cause actual results to differ materially from those expressed or implied by forward-looking statements, including, without limitation: whether Yum China or Taco Bell is able to achieve development goals at the times and in the amounts currently anticipated, if at all, the success of marketing campaigns and product innovation, the ability to maintain food safety and quality control systems, the ability to control costs and expenses, including tax costs, as well as changes in political, economic and regulatory conditions in China and elsewhere. In addition, other risks and uncertainties not presently known or that are currently believed to be immaterial could affect the accuracy of any such forward-looking statements. All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. You should consult Yum China's and Yum! Brands' filings with the Securities and Exchange Commission for additional detail about factors that could affect financial and other results.

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