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**Quick Service Restaurant Brands, Dunkin' Donuts, Baskin-Robbins and Togo's,  
Contribute to Allied Domecq PLC's Results with Operating Profits Up 7%**

*Net Revenue Increase of 3.7% from \$334.3 million  
in Fiscal 2002 to \$346.7 million in Fiscal 2003*

*\*\*All numbers in this document have been converted from Euros to U.S. Dollars, hence the variations from the Fiscal Year 2003 Allied Domecq PLC earnings release*

**Randolph, Mass. (October 22, 2003)** -- Allied Domecq PLC of the United Kingdom released interim financial results for the period September 1, 2002 through August 31, 2003. The results include the contributions of Allied Domecq Quick Service Restaurants (ADQSR). Based in Randolph, Mass, ADQSR includes popular quick service restaurant brands Dunkin' Donuts, Baskin-Robbins, and Togo's.

ADQSR highlights for the September 1, 2002 to August 31, 2003, period, include:

- Operating profits up 7% percent to \$124.8 million
- Number of multi-brand stores (two or three brands under one roof) up 37% percent
- Joint ventures in Japan and Korea combined operating profit increased by 10%
- Increased total brand distribution points by 8% percent to 11,384, as pace of store openings in the U.S. and internationally quickened during the fiscal year
- Total of 1,304 new brand distribution points this year
- System-wide sales growth of 5% percent to \$4.3 billion
- Unveiled new organizational structure, which named 15 individuals to a new leadership team, whose dedicated roles will build on the company's business strategy, ensure operational excellence and develop innovative menus and concepts that support ADQSR's brands, employees and franchisees

"Nearly a year into my tenure, we are pleased to report a positive long-term outlook for growth in all of our brands and a solid second half for our fiscal year 2003," said ADQSR Chief Executive Officer Jon L. Luther, who was appointed to his position in January 2003. "This is a true testament to the new leadership team we recently put in place with an eye on streamlining our operations and best positioning ourselves for brand growth and loyalty, operational excellence, and speed of service."

Mr. Luther continued, "As we close the second half of the fiscal year, we are proud of our recent accomplishments, including the unveiling of the new "All Day" brand and the launch of Dunkin' Donuts espresso-based beverages. We are confident that these new products and concepts position us well for long-term growth and sustainability, and allow us to follow through on our commitment to quick service, comfort, and quality. As we move into the first half of our new fiscal year for 2004, our goal will be to replicate such successes and innovations, with an eye on expanding Dunkin' Donuts into a geographically national brand, energizing Baskin-Robbins, reinforcing the West Coast appeal of Togo's, expanding Dunkin' Donuts and Baskin-Robbins in focused international markets, as well as focusing on complementary day part branding."

## **BRANDED RESULTS**

**Dunkin' Donuts** delivered a 7% growth in global system-wide sales driven by a 4.4% increase in U.S. same store sales and a 7% increase in global distribution points. For the period, Dunkin' Donuts had total sales of \$3.2 billion. Its same store sales growth has continued to outpace the overall QSR industry driven by effective marketing work and innovation.

Dunkin' Donuts has driven its successful innovation program with new beverage offerings, such as caramel iced coffee and lemonade coolatta which benefited from a promotional competition with MTV called "*Route to Cool*". We have also continued our focus on coffee with sales of "*coffee by the pound*" growing well and a successful launch of a broader range of coffee offerings, including cappuccino, latte, and espresso.

In the second half of the fiscal year, in addition to announcing the opening of its 100<sup>th</sup> store inside of Stop and Shop Supermarkets, Dunkin also announced a presence in seven Shaw's Supermarkets throughout Maine, New Hampshire and Vermont, which will be opened the first week of November 2003.

**Baskin-Robbins** same store sales in the US declined by 4.5% yet global system-wide sales were up 1% for the year reflecting the poor weather in key US markets and the sluggish US economy – particularly in its core market of California. Global distribution points increased by 9%. Baskin-Robbins ran movie tie-ins with "*X2:X-Men United*" and "*Sinbad*" with new flavors such as Oreo X-Mint, X-Treme Berry Sherbet and Sinbad's Triple Punch Sherbet. Free-Scoop Nights continue to attract significant publicity to drive brand awareness.

**Togo's** has also been affected by the poor economic situation in California resulting in a 5% decline in system-wide sales. At the same time, Togo's has increased points of distribution by 4%. Togo's has been refreshing its product offering with new sandwiches, a new line of breads, and has expanded into a new range of salads and lighter meals.

## **MULTIBRANDING REVIEW**

Complementary Daypart Branding continues to be an important growth lever for ADQSR. During this fiscal year, ADQSR unveiled an expanded rollout of its trombo concept, with the new "All Day" Café brand, opening its first prototype store in Burbank, Illinois in early October 2003. The "All Day" café was designed specifically to create a

new industry category, somewhere between fast casual and quick service restaurant, with an eye on affording consumers a new dining experience. Multibranded locations, housing two or three of its brands under one roof, now accounts for 37% of all locations.

## INTERNATIONAL REVIEW

ADQSR's international business continued to grow with system-wide sales increasing by 3% and brand distribution points by 9%. The joint ventures in Japan and Korea enjoyed combined profit growth of 10%, and Baskin Robbins saw a 5% increase in international sales. The marketing focus for Baskin-Robbins has been on frozen beverages and the Dunkin' Donuts focus has been on the core coffee business. Coffee will continue to be a major focus internationally.

In August of 2003, Dunkin named Alimentation Couche-Tard Inc. as its master licensee in Quebec. As master licensee, Couche-Tard will act as franchisor in Quebec, and will be responsible for implementing new Dunkin' Donuts site selections, product introductions, marketing and advertising initiatives, and monitoring brand standards in stores. The announcement was indicative of the brand's commitment to ongoing international expansion.

### ADQSR PERFORMANCE (Millions-USD)

CATEGORY	FY '03 (9/02 - 8/1/03)	FY '02 (9/01 - 8/1/02)	CHANGE	% CHANGE
QSR Revenues (Gross)	408.2	464.2	- 56.0	- 12.1%
% of ADPLC Revenues	7.5%	8.7%	-1.2%	
QSR Revenues (Net)	346.7	334.3	12.4	+ 3.7%
% of ADPLC Revenues	6.4%	6.4%	0%	
QSR Operating Profits	124.8	116.7	8.1	+ 6.9%
% of ADPLC Operating Profits	12.6	12.0%	0.6%	
Total Brand Distribution Points	11,384	10,589	795	+ 8%

\* Canada included under "Domestic"

\*\* Gross revenues saw a decline from Fiscal 2002 to Fiscal 2003 due to the outsourcing of our ice cream manufacturing to Dean Foods.

### About Allied Domecq Quick Service Restaurants

Allied Domecq Quick Service Restaurants franchises over 11,000 Dunkin' Donuts, Baskin-Robbins and Togo's stores worldwide. With over 143 years of combined franchising experience, the company's mission is to thrill customers, enrich stakeholders and build powerful brands. ADQSR is also a pioneer in developing and practicing a complementary daypart strategy, which combines two or three of its brands under one roof. Headquartered in Randolph, Massachusetts, ADQSR is part of Allied Domecq PLC (NYSE:AED), a highly successful and dynamic global business in spirits, wines, and quick service restaurants. More information can be found on Allied Domecq QSR's website, [www.ADQSR.com](http://www.ADQSR.com).

**About Dunkin' Donuts**

Founded in 1950, Dunkin' Donuts Incorporated is the largest coffee and baked goods chain in the world with 5,800 locations in 32 countries around the world. Dunkin' Donuts sells more regular coffee, donuts, bagels and muffins than any other retailer in the United States. For more information, visit [www.dunkindonuts.com](http://www.dunkindonuts.com).

**About Baskin-Robbins**

As the world's largest chain of ice cream specialty stores, Baskin-Robbins creates and markets its innovative, high-quality premium ice cream, specialty frozen desserts and beverages in the company's more than 5,100 retail stores around the globe. Baskin-Robbins carries on the tradition of offering spoonfuls of happiness to millions of customers every day. For more information, visit [www.baskinrobbins.com](http://www.baskinrobbins.com).

**About Togo's**

Togo's originated in San Jose, California in 1971 and today is the neighborhood sandwich shop in more than 400 locations. Each Togo's sandwich is freshly crafted from quality ingredients, resulting in delicious sandwich creations full of big flavor and instant crave-appeal. Togo's signature sandwiches include Hot Pastrami, Turkey & Avocado and BBQ Chicken. For more information, visit [www.togos.com](http://www.togos.com).

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