

Yum! Brands Announces 2-for-1 Stock Split

2007-05-17

A dividend of \$0.30 per share of common stock on a pre-split basis.

2-FOR-1 STOCK SPLIT

The Company's Board of Directors approved a 2-for-1 split of the Company's outstanding shares of common stock. The stock split will be in the form of a stock dividend and will entitle each shareholder of record at the close of business on June 1, 2007, to receive one additional share for every outstanding share of common stock held on the record date. The stock dividend will be distributed on June 26, 2007. Yum! Brands Inc. Common Stock will begin trading on a split-adjusted basis on June 27, 2007.

David C. Novak, Chairman and Chief Executive Officer, said, 'I am very pleased to report that YUM Brands stock will be split 2-for-1 based on our Board's confidence in our continued strong performance.

'We continue to deliver on four growth strategies to significantly increase shareholder value: building dominant restaurant brands in China; driving profitable international growth; improving U.S. brand positioning and returns; and driving high ROIC and strong shareholder payout.'

As a result of these efforts, the Company's stock price has doubled in five years, going from a split adjusted \$32.21 on June 17, 2002, when the company completed its first 2-for-1 split, to about \$66 today.

Yum! Brands continues to generate significant free cash flow, even after investing capital in growth opportunities around the world. The Company expects to return this free cash flow to its shareholders in the form of substantial share buybacks and dividends. For 2007, the Company expects to return \$1.3 billion to its shareholders, reducing its share count by at least 3% through share buybacks and paying a significant dividend. The Company initiated its first quarterly dividend of \$0.10 per share in 2004 and has subsequently increased it three times, including a recent doubling of the dividend to \$0.30 per share. Any and all future dividends will be adjusted for the 2-for-1 stock split.

'With our global-growth track record and ability to generate a lot of cash, we have proven once again that we are Not Your Ordinary Restaurant Company. Our future is brighter than ever and we are gratified to be able to share the Company's continued success with our shareholders,' Novak said.

QUARTERLY DIVIDEND

The Company's Board of Directors also approved a dividend of \$0.30 per share of common stock prior to the 2-for-1 stock split announced above. As a result of the 2-for-1 split, every outstanding share of common stock will receive an additional share; therefore, the actual dividend paid will be \$0.15 per existing and new shares. This dividend will be distributed on August 3, 2007, to shareholders of record at the close of business on July 13, 2007. Finally, any and all future dividends will be adjusted for the 2-for-1 stock split.

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