

## Brazil Fast Food Acquires Pizza Hut's Largest Franchise in Brazil

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Brazil Fast Food Corp. (OTC Bulletin Board: BOBS.OB) ('Brazil Fast Food') the second largest fast-food restaurant chain with 630 points of sale, operating under the Bob's and KFC brands in Brazil, announced today that it has acquired 60% of Internacional Restaurantes do Brasil ('IRB'), Pizza Hut's largest franchise in Brazil.

IRB owns 14 Pizza Hut restaurants in São Paulo and 4 café stores with the brand 'In Boca al Lupo' also acquired by Brazil Fast Food. IRB recorded annual revenue of around R\$ 50.0 million, EBITDA of R\$ 3.65 million and net profit of R\$ 1.14 million in 2007. This transaction is expected to increase Brazil Fast Food consolidated revenue by 20% in 2008 and 40 to 50% in 2009 relative to 2007.

Brazil Fast Food will retain a 60% stake with the remaining 40% to be owned by POGO Participações, a company controlled by Jorge Aguirre who has been for many years the CEO of IRB. Mr. Aguirre will remain in charge of IRB and has as a partner in POGO a Brazilian financial company, ROSENBERG & PARTNERS.

'This transaction is an important milestone in the execution of our strategy to become a leading multi-brand fast food chain in Brazil. In addition to being a good fit with our existing brands, it positions the company well to take advantage of the casual dining opportunity targeting more affluent segments of the population,' said Mr. Ricardo Bomeny, CEO of Brazil Fast Food. 'We are also very pleased to welcome Jorge Aguirre to our team. Mr. Aguirre has been responsible for the excellent performance of the Pizza Hut franchise in Brazil in recent years and we are glad that with his proven experience and leadership skills he will continue to make a valuable contribution to the success of our business.'

KPMG conducted due diligence that identified the need to write-off R\$ 4.6 million in assets to shareholder equity but which will not impact Brazil Fast Food consolidated results for 2008. The transaction was closed yesterday but the closing balance sheets were established as of July 31, 2008.

Brazil Fast Food Corp. owns and operates, both directly or through franchisees, the second largest fast-food restaurant chain in Brazil.

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