

SNAPSHOT |



There are a lot of things to consider before becoming a franchisee. Do you believe in the direction the business is going and are you confident you will adequate return on your investment? Is there a natural fit between the culture of the company and your own personal views and beliefs? The list goes on. Of course, most of this information will be provided to you when you first express an interest in becoming a franchisee. But, in order to kick start your research, we have given you a snapshot of the following coffee and bakery franchises. We realise that cost is a huge consideration, so we have classified each franchise depending on how much (approximately) you can expect to set aside as a start up cost.

\$100k - 200k

The Chocolate Room



Commenced Operating: 2006
Number of Outlets: 4
Length of Agreement: 5 years with two further periods of 5 years each
Contact: Kathy Richardson
Email: info@thechocolateroom.com.au
Phone: (03) 5229 6716
Fax: (03) 5229 6718
Website: www.thechocolateroom.com.au

What are the top three attributes you are seeking in a franchisee?

- 1) Passion – we only want people to join us if they share our passion for all things chocolate
- 2) Work ethic – this environment demands a strong, focused work ethic
- 3) Enterprise – the Chocolate Room franchise allows and encourages its franchisees to market their business to the wider community. This takes a certain amount of flair and general enterprise – and it works

What are your franchise's goals for 2007?

We believe that, by years end, we will have six stores running. We see this as achievable growth whilst still providing excellent support and management. We currently have two stores operating in our home town, Geelong, with another three set to open over the next three months.

What stands this franchise apart from its competitors?

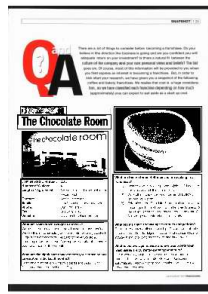
Our menu is a unique offering including 20 flavours of Italian hot chocolate, hand made Belgian chocolates, chocolate foods to indulge in and chocolate themed gifts and much more.

What are the significant achievements your franchise has celebrated in the last 6 months?

Being able to manage our first two stores and dealing with Christmas, Easter and Valentines Day!

What is the average revenue and average profits your franchisees are currently earning per annum?

Our stores enjoy a higher than average turnover and profit margin. These will vary from store to store. Our stores automatically become a shop of destination and have a loyal, repeat customer base.



\$300k - 400k



Commenced Operating: 1980
Number of Outlets: Over 700 bakeries and 500 franchisees
Length of Agreement: The franchise agreement is 10 years
Phone: 1300 309 759
Website: www.bakersdelight.com.au

What are your franchise's goals for 2007?

To continue to expand the world's most successful franchise bakery chain.

What are the significant achievements your franchise has celebrated in the last 6 months?

In March 2007, Bakers Delight, trading under the COBS Bread brand name, took its first slice of the American market, opening its first bakery in Seattle. This coincided with the opening of our 700th bakery worldwide, located in Canada.

What are the top three attributes you are seeking in a franchisee?

- 1) Attitude – a positive goal-driven attitude
- 2) Team player – an ability to manage and communicate well with people
- 3) Commitment – willingness to follow the franchisor's proven business model



What stands this franchise apart from its competitors?

- Proven business formula – 27 years, 700 bakeries and over 90 per cent success rate
- Bread is a staple not a fad
- Franchisees come from many different backgrounds
- Entry into a turnkey operation
- Transparency and sharing of successful business strategies
- Economies of scale in all facets of the business
- One stop shop supply arrangements
- Disclosure of individual bakery results for benchmarking
- Ongoing operational assistance
- Full training before operation, including how to bake
- Opportunity to talk to franchisees prior to recruitment

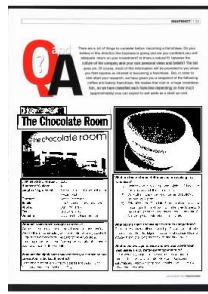
Donut King



Commenced Operating: 1982
Number of Outlets: 287
Length of Agreement: 5 x 5 years (dependent on the centre)
Contact: Gary Owen
Email: gary.owen@rfg.com.au
Phone: (07) 5509 2353
Fax: (07) 5591 9021
Website: www.donutking.com

What are your franchise's goals for 2007?

- Continued new store growth
- Continued increase in customer count and average \$ spend



What are the significant achievements your franchise has celebrated in the last 6 months?

- 25 years of Donut King
- Continued strong new store growth
- Steady customer count and average \$ spend amid continued growth in competition
- Newly commissioned central manufacturing facility for the production of donuts to be distributed nationally



What are the top three attributes you are seeking in a franchisee?

- Determination to succeed
- Proactive
- Able to work and grow in a franchise system

What stands this franchise apart from its competitors?

- Our 25 years of continued success
- A reliable and robust franchise system
- The brand strength of 280+ stores nationally
- Product ranges that appeal to all ages and demographics



What are the significant achievements your franchise has celebrated in the last 6 months?

Rewards and recognition of our fantastic coffee. Michel's Patisserie was recently rated the number one overall coffee chain by BIS Shrapnel. The BIS Shrapnel report measured 13 factors in the coffee chain category, whereby Michel's Patisserie received the highest overall rating. Michel's Espresso (the coffee arm of the business), won The Golden Bean Coffee Roaster Competition for the best espresso. The Golden Bean is a competition organised by Café Culture magazine, which put fresh roasted coffee to the test.

What are the top three attributes you are seeking in a franchisee?

- To be passionate about wanting to run a successful small business
- To be a great communicator, that can be transferred into providing great customer service
- To have financial stability and backing

What stands this franchise apart from its competitors?

A successful business model that provides franchisees with a well recognised brand, powerful marketing campaigns, comprehensive training and on-going head office support. Unlike most retail franchises, Michel's Patisserie is not a royalty-based system. The Michel's Patisserie product range is extensive and boast over 200 delicious items, consisting of small and large cakes, flans, pastries, pies, quiches and other savouries. The offerings also includes hot and cold beverages, such as great espresso coffee. Michel's can cater for all celebrations.

What is the average revenue/profit your franchisees are currently earning per annum?

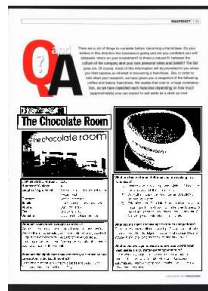
We are not in a position to supply this information, as we do not collect this information from our franchisees.



Commenced Operating:	The business started in 1988 and was franchised in 1990
Number of Outlets:	340
Length of Agreement:	5 + 5 years
Contact:	Paul Stearn
Email:	paul.stearn@michels.com.au
Phone:	(02) 9738 2400
Fax:	(02) 9738 2444
Website:	www.michels.com.au

What are your franchise's goals for 2007?

To continue to grow the business, by opening 50 stores nationally, with continued expansion plans for New Zealand and other off-shore locations.



\$300k - 400k
bb's cafe



Commenced Operating: The first franchised store commenced operation in 1991

Number of Outlets: 71 (46 in Australia and 25 in NZ)

Length of Agreement: The franchise term is tied to the property lease term and generally the initial franchise agreement is 5 years with a 5 year option

Contact: Faith Manning (franchise enquiries) or Nicole Dodd (brand enquiries)

Email: bbscafe@rfg.com.au

Phone: (07) 5591 3242

Fax: (07) 5591 9021

Website: www.bbscafe.com.au

What are your franchise's goals for 2007?

Increase brand awareness and improve awareness of our signature coffee and gourmet bread range. Increase franchisee profits by reducing cost of goods and continue to focus on product improvements and development.

What are the significant achievements your franchise has celebrated in the last 6 months?

- Increased store numbers and average dollar sales
- Improved brand and store awareness via letterbox distribution and other media outlets
- Launched a new gourmet bread product range to improve and extend our gourmet bread range
- Increased awareness of our take home coffee range

What are the top three attributes you are seeking in a franchisee?

- Great customer service skills
- A passion for food and coffee
- A drive to achieve and succeed in their business

What stands this franchise apart from its competitors?

- We have a true turn key operation which provide full training in all areas of a bb's café franchise
- We have our own signature coffee and products which have been developed to appeal to customers' tastes
- Our franchise offers customers a fresh, fast, healthy alternative, with great service every time

Brumby's Bakeries Ltd



Commenced Operating: July 1975

Number of Outlets: 320 across Australia and NZ

Length of Agreement: The length of the agreement mirrors the length of the sublease. For example 5 years with a 5 year option.

Contact: Dean Batchelor, franchise development

Email: dean.batchelor@brumbys.com.au

Phone: (03) 9882 6369

Fax: (03) 9882 9564

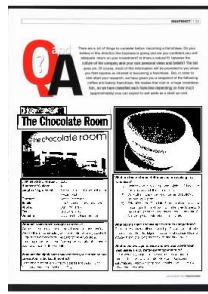
Website: www.brumbys.com.au

What are your franchise's goals for 2007?

- 1) The continued growth in organic customer count increases
- 2) The running of another successful conference in August to be held at the Hilton Hotel in Sydney over four days
- 3) The roll out of our new Go! stores into the airport sites with Spotless Group as a corporate franchisee

What are the significant achievements your franchise has celebrated in the last 6 months?

- 1) The highest per store average organic growth for existing stores that has been achieved in the history of the company



- 2) The introduction of new technology, retarder provers, that enable the baking to start at around 6am instead of 2am
- 3) Opening of the fourth Brumby's Go! site at the Myer Centre opposite an existing Brumby's Bakery store. One concept went into competition with the other (same franchisee). The existing Myer Centre Bakery is the number one store in the chain, the new Go! store is already in the top 5

What are the top three attributes you are seeking in a franchisee?

- 1) People who have a realistic view of the running of our stores so that they are happy with their decision to be part of the Brumby's family
- 2) They have sufficient capital to invest and they live within 20 minutes of where their store will be located
- 3) They have a good work ethic and can motivate their team members

What stands this franchise apart from its competitors?

Brumby's has worked hard over the years to establish an ethical culture with our franchisees so that if they work hard and follow the system they are able to make a good return on their investment and enjoy their involvement with the Brumby's brand.

What is the average revenue your franchisees are currently earning per annum?

This varies depending on the amount of borrowings each franchisee has, how many partners are involved in the business and what salary they draw. We seek to understand our franchisees' expectations and suitably qualify them so that we don't get people regretting their decision to purchase into the Brumby's system. With the franchising code, we prefer to provide this information by way of a disclosure document.

What is the average profit your franchisees are currently earning per annum?

With the franchising code, we prefer to disclose this information by way of our disclosure document.

Over 400k



Commenced Operating: 1989
Number of Outlets: 170
Length of Agreement: 5 years
Contact: Rod Wakefield (CEO) or Vass Cayas (Project Manager)
Email: v.cayas@coffeeclub.com.au
Phone: (07) 3010 3000
Fax: (07) 3844 2551
Website: www.wherewillimeetyou.com

What are your franchise's goals for 2007?

Continued growth in Australia and overseas markets. We aim to open approximately 50 new outlets in 2007.

What are the significant achievements your franchise has celebrated in the last 6 months?

Leader in consultative franchising model to enhance excellence – FCA National Franchisee of the Year.

What are the top three attributes you are seeking in a franchisee?

Business acumen, solid financial structure, and to be a people person.

What stands this franchise apart from its competitors?

We have an outstanding franchise model that emphasises holistic business training and business development skills, coupled with very significant consultation and support from the franchisor.

What is the average revenue your franchisees are currently earning per annum?

\$1.3 million (gross)