

IN THE SUPREME COURT OF VICTORIA
AT MELBOURNE
COMMON LAW DIVISION

S CI 2013

BETWEEN

MCDONALD'S AUSTRALIA LIMITED (ACN 008 496 928)

Plaintiff

and

JANINE WATSON AND ORS

Defendants

AFFIDAVIT OF ANDREW ROBERT KEITH GREGORY

Date affirmed: 12 July 2013

Filed on behalf of: The plaintiff

Prepared by:

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Attention: AM:CLS:2773256

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I, Andrew Robert Keith Gregory of 21 Central Avenue, Thornleigh, in the State of New South Wales, Chief Financial Officer, solemnly and sincerely affirm and say as follows:

1. I am the Chief Financial Officer for McDonald's Australia Limited (**McDonald's**). I am responsible for Finance and Restaurant Development.
2. I have been employed by McDonald's for 17 years.
3. I am authorised to make this affidavit on behalf of McDonald's. I make this affidavit from my own knowledge, save where otherwise stated.

New Tecoma Restaurant

4. I am aware of the proposal to open a new McDonald's restaurant in Tecoma, Victoria (**Restaurant**).
5. I am informed by Ken Ronald Pryor and believe that:
 - (a) as at 30 June 2013, the Restaurant was expected to open on 15 November 2013 (**Commencement Date**); and



- (b) a 19 week construction period, commencing on 1 July 2013, was envisaged, so that the Restaurant would open on the Commencement Date, being the end of 20 weeks after the commencement of construction.
- 6. I am informed by Ken Ronald Pryor and believe that while commencement of the erection of hoarding on the Restaurant land commenced on 1 July 2013, the construction process has been stopped and delayed due to protests occurring on the Restaurant land.
- 7. McDonald's proposes to demolish the existing buildings on the Restaurant land, build a new Restaurant, enter into a franchise agreement for the operation of the Restaurant and derive income from the operation of the Restaurant from the Commencement Date.
- 8. It is difficult to accurately project the future income for the Restaurant, but based on stores in other areas, for each day that the Restaurant is not open after the Commencement Date:
 - (a) the estimated loss in sales is approximately \$10,000; and
 - (b) the estimated lost cashflow is approximately \$3,000-\$4,000.
- 9. The Restaurant land is also subject to holding costs, being rates (annually approximately \$20,075.00) and land tax (annually approximately \$25,002.50), and for each day that the Restaurant is not open after the Commencement Date, the holding costs are approximately \$123.50.
- 10. In addition to the above costs and losses, I am advised by Ken Ronald Pryor and I believe that McDonald's has incurred additional costs relating to the provision of security on the Restaurant land, and the payment of building site preliminaries.

AFFIRMED/SWORN at Thornleigh)
 in New South Wales)
 on 12 July 2013)

Before me: Diana Crossman
 21 Central Avenue
 Thornleigh, NSW

[Signature]
 Signature of person taking affidavit

[Signature]
 Signature of deponent