<u>**Telepizza Full-Year Results for 2016**</u>

2016 was Telepizza Group's best year for chain sales[1] and EBITDA growth over the last decade

- **Chain sales[1] grew by 7% to €517M while Underlying EBITDA rose by 10% to €63.6M**

- **Digital sales, up by more than 20% year on year, are the key driving force behind nearly double-digit growth in the Delivery channel**

- **Record year for store openings: 78 net new stores in 2016, surpassing the ratio of 2/3 franchised stores across the store network**

- **Telepizza is now present in 20 countries**

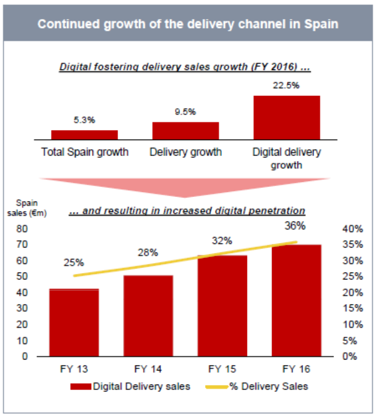
- **The company closed the last financial year with earnings of €11 M and has announced its intention to pay a dividend against the 2017 results**

Madrid, 28 February 2017. Telepizza Group, the leading non-US based pizza delivery company by number of stores, has announced its full-year 2016 results today. This financial year has been the best year in terms of sales growth since 2007 for Telepizza, reaching **€517 M in group chain sales**, which represents **7% growth** in constant currency for total sales from across core regions. Moreover, the company closed the financial year satisfactorily, recording **10.7 million euros in consolidated earnings for the Group,** with **1,389 stores in 20 countries** and announcing its intention of a dividend payout against 2017 results.

"The figures for 2016 show that Telepizza is on a solid growth track: we have now reported positive growth over 11 consecutive quarters in Spain and the Group's international performance is excellent. We have also met double-digit growth forecasts for underlying EBITDA, which has risen by 10% up to €63.6 M. We have increased our global presence and now operate in 20 countries, with around 80 new store openings. This all goes to show the results of our firm commitment to our strategic growth plan," stated Pablo Juantegui, Executive Chairman and CEO of Telepizza.

Delivery sales -at 60%[2] of **chain sales in Spain** over this financial year **(€335.2 M)**- are growing strongly at **9.5% year-on-year.** Telepizza's market share in this channel is rising, driven by **digital sales,** which grew by **22.5% year on year**, and already accounted for **40%** of our delivery sales in January 2017.

[1] Chain sales in Core Regions in constant currency
[2] In the fourth quarter of 2016



Note:
1. Digital sales over Delivery sales in Spain at Q4 2016

Pablo Juantegui comments: *"Our strong focus on digitalisation does not just translate into sales growth but also generates other important benefits for Telepizza, our franchises and our customers. We are seeing how the average spend per customer on digital orders, as opposed to phone orders, is increasing by over 35%; in operational terms we achieve greater accuracy in order processing and service, and with regard to innovation and image we achieve greater brand visibility and product penetration. Clearly, this is the path to follow and that's why we'll be launching a new, faster app, seeking to deliver the best experience to our customers for every order they make."*

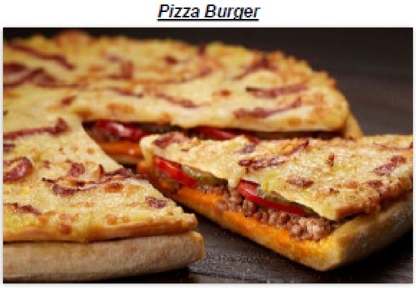
Telepizza's new app for 2017 demonstrates the company's firm commitment to innovate in the digital area too and strengthen the surge in mobile sales during 2016 (for the first time mobile overtook the PC in terms of sales, representing **56%** of digital orders in Spain during the fourth quarter). The new app will be more modern and agile, enabling users to manage their orders with ease; it will provide a new street map, order geolocation and tracking, customer loyalty programme and frequent updates with additional functionalities.

International operations have also recorded high growth during 2016, with **total sales amounting to €182 M in 2016**, accounting for **35%** of the Group's total chain sales. **Chile and Portugal** had a particularly strong performance, with double-digit growth for the year, and a network of 143 and 109 stores, respectively, as of year end.

Telepizza is now present in 20 countries, increasing its penetration in key international markets and adding the **United Kingdom** and **Iran** to its portfolio during 2016**,** through master franchise agreements with operators with extensive experience in the quick service restaurant sector and high investment capacity. Recently, it has also added **Switzerland**, where the company has invested in **11 franchised stores** in a market with a high potential that offers synergy opportunities with existing Telepizza operations across Europe.

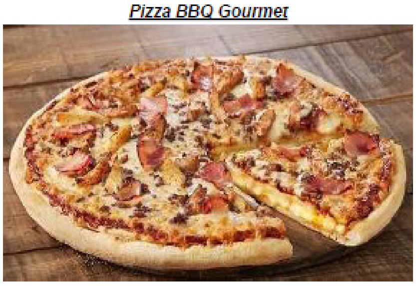
Innovation and commercial policy as growth vectors

Pizza Burger



The brand's success is based on two key factors: product quality -freshly handmade and customised pizzas- and quality of service. This cannot be achieved without an **ongoing strategy in the area of innovation** and a commercial policy for product launches that truly reflects consumer tastesFY2016 stands out for several innovative launches such as the Burger Pizza or BBQ Gourmet Pizza in Spain, which have **increased the**

Pizza BBQ Gourmet



Sweet Pizza

average spend per customer, boosted customer loyalty and achieved clear brand differentiation.

2017 Outlook

In 2017, Telepizza will continue to invest in expanding the company and generating value for shareholders, forecasting good growth prospects across the network.

The company expects **chain sales in Spain** to increase by between **4% and 6%**, and by between **9 and 11% in the international area** (chain sales in core countries).

We expect Underlying Group EBITDA growth to be lower than chain sales growth in Spain. This is driven by our commercial policy and higher raw material prices, although the company will benefit from a more competitive market positioning, while preserving the profitability of the franchise network.

Telepizza plans to **open between 60 and 80 new stores** in core regions and expects a **Capex between of c.€30M**, given the acceleration of its store refurbishment and opening plan and ongoing investment in the Digital channel.

The company also announces its intention **to pay a dividend** against the 2017 Results, establishing a payout range of between 15% and 20% against the results of the financial year, for which EPS (based on cash taxes and before PPA amortisation) of between €0.30 and €0.35 is projected.

The success of the Group's commercial policy, the boost from constant innovation, increased coverage in strategic markets and the use of digital tools to drive sales growth support this proposition.

Telepizza Group:

Telepizza is the leading non-US based pizza delivery sales company by number of stores. Headquartered in Madrid, Spain, Telepizza operates in 20 countries via a network of its own stores, franchisees and master franchisees, with a total of 1,389 stores, including 454 owned stores (33%) and 935 franchised and master franchised stores (67%) at 31 December 2016.

Including US competitors, Telepizza is the fourth biggest player in pizza delivery by number of stores. It is the market leader in core markets by number of stores (number one in Spain, Portugal, Chile and Colombia and number two in Poland).

Total sales in its network, including franchisees and master franchisees, recorded as chain sales, in 2016 amounted to €517 M, with an underlying EBITDA of €63,6 M in this period.

Telepizza has been listed on the Barcelona, Bilbao, Madrid and Valencia stock exchanges since 27 April 2016. The Group's total number of shares is 100,720,679.

ISIN: ES0105128005
Symbol: TPZ

Webcast
The company will host a webcast and conference call day at 14:00 CET (13:00 GTM). Use the link below to access the connection details:

http://event.onlineseminarsolutions.com/r.htm?e=1374109&s=1&k=F432DB22360E541969B85893CB6E6159

For more information:
http://www.telepizza.com/

Analysts and investors:
+34 91 6576200
inversores@telepizza.com

Media:
Telepizza (Miguel Justribó) + 34 626 338 993
miguel.justribo@telepizza.com
Ketchum (Mónica Escusa / Ana Moreno) +34 91 7883200 / 629687358 / 680449126
prensa.telepizza@ketchum.es

APPENDIX

Activity of the Group

(Thousands of Euros)	2016	2015	% variation
Sales of Group chain[1]	*517.0*	*491.8*	*5.1%*
Sales of the chain in core regions[2]	*486.9*	*459.8*	*5.9%*
Sales growth in constant currency in the core regions			**6.9%**
LFL sales growth in core regions (%)			*4.9%*
Chain sales in Spain	**335.2**	**318.5**	**5.3%**
LFL sales growth [3]*in Spain (%)*			*3.6%*
International chain sales	*181.8*	*173.3*	*4.9%*
International chain sales in core regions	*151.7*	*141.3*	*7.4%*
International sales growth in constant currency in core regions (%)	**151.7**	**136.9**	**10.8%**
LFL international sales growth in core regions (%)			*7.9%*
Revenues	*339.6*	*328.9*	*3.2%*
Revenue growth in constant currency (%)			**4.4%**
Underlying Group EBITDA[5]	**63.6**	**57.7**	**10.3%**

[1] The chain sales are sales of own outlets plus franchisees' sales and master franchises' sales
[2] Excluding sales of master franchises
[3] LFL sales growth reflects the growth in chain sales, adjusted for store openings and closures and the impact of exchange rates vis-à-vis the Euro.
[3] LFL growth is the chain's sales growth after adjustments for openings and closures.
[5] EBITDA defined as operating profit or loss plus depreciation and amortisation plus the gains or disposal of assets, excluding Euros 32 million of costs related to the public share offering and the gains/loss on the disposal of assets.

Group financial information

€ million	31/12/2016	31/12/2015	% change
Group chain sales[2]	**517.0**	**491.9**	**5.1%**
Own outlet sales	196.0	200.2	(2.1%)
Franchise sales	290.9	259.6	11.7%
Master franchise sales	30.1	32.1	(6.2%)
Total revenues	**339.6**	**328.9**	**3.2%**
Own outlet sales	196.0	200.1	-2.1%
Supplies, royalties and marketing	122.7	108.9	12.7%
Other income	20.9	19.9	5.2%
Gross margin	**250.9**	**237.6**	**5.6%**
Gross margin (%)	73.9%	72.3%	
Personnel expenses excluding IPO costs	(92.1)	(91.1)	1.2%
Other costs excluding IPO costs	(95.2)	(88.8)	7.1%
Underlying EBITDA[3]	**63.6**	**57.7**	**10.2%**
Underlying EBITDA margin (%)	18.7%	17.6%	
Depreciation and amortisation (excluding PPA)	(11.6,	(10.8)	7.4%
Underlying operating profit [4]	**52.0**	**46.9**	**10.9%**
IPO-related costs	(32.0)	-	-
PPA amortisation	(5.8)	(5.8)	-
Net finance income/(cost)	(21.8)	(35.4)	
Other	(0.7)	(4.0)	
Net profit/(loss) for the year	**10.7**	**(1.1)**	**-**