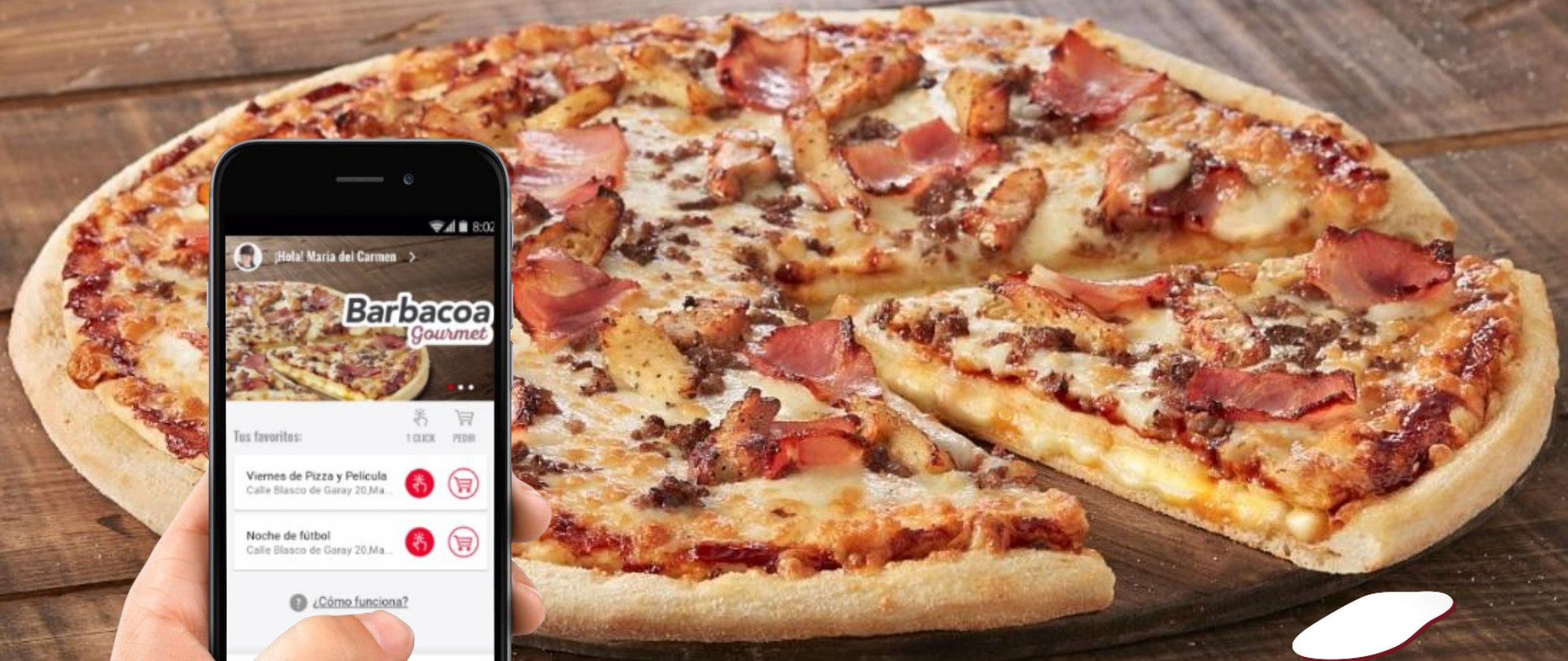


FY 2016 Results presentation



28 February, 2017

telepizza 
the secrets in the dough

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FY 2016 highlights



1

7% chain sales growth and 10% EBITDA growth¹, our best year since 2007

2

Boosted by near double digit growth in Delivery

3

Driven by Digital, with over 20% growth year-on-year

4

+78 net new stores² (+6% growth year-on-year), already reaching over 2/3 of network franchised

5

1/3 of store network renewal plan completed

6

International expansion into UK, Iran, (through MFAs) and Switzerland

Notes:

1. Chain sales excluding Master Franchises, in constant currency. Underlying EBITDA for the Group (excluding €32 million, of IPO related costs in 2016)
2. Including Master Franchised stores; and including Switzerland, with 11 franchised stores

FY 2016 performance vs guidance

Guidance ¹	FY actual
Spain total chain sales growth: 4-5%	5.3%
Core International total chain sales growth ² : 9-11%	10.8%
Double digit Underlying EBITDA growth	10.2%
c.80 net new stores in Core Geographies	71 ³
€20-25 million capex	€27m ³

Note:

1. Guidance provided at H1 2016 results
2. Constant currency, excluding Master Franchises
3. Including 11 franchised stores in Switzerland, involving €1.8 million investment (78 net new stores including Master Franchises)

FY 2016: Growth and profitability

Core Geographies¹ chain sales growth of 7%, with International doubling Spain growth (in constant currency), translating into double digit EBITDA growth for the FY 2016

€m (unless otherwise stated)	FY2016	FY2015	% change (2015-2016)	FY2014	% change (2014-2015)
Group chain sales	517.0	491.8	5.1%	451.0	9.1%
Core Geographies ¹ chain sales	486.9	459.8	5.9%	431.2	6.6%
Core Geographies¹ constant currency sales growth (%)			6.9%		6.6%
Core Geographies ¹ LFL sales growth (%)			<u>4.9%</u>		<u>5.3%</u>
Spain chain sales	335.2	318.5	5.3%	300.9	5.8%
Spain LfL sales growth (%)			<u>3.6%</u>		<u>4.6%</u>
International chain sales	181.8	173.3	4.9%	150.1	15.5%
Core International ¹ chain sales	151.7	141.3	7.4%	130.2	8.5%
Core International¹ constant currency sales growth (%)			10.8%		8.3%
Core International ¹ LFL sales growth (%)			<u>7.9%</u>		<u>6.8%</u>
Revenues	339.6	328.9	3.2%	326.5	0.7%
Constant currency revenue growth (%)			4.9%		0.7%
Group Underlying EBITDA²	63.6	57.7	10.3%	53.4	8.1%

Notes:

1. Excluding Master Franchises
2. FY 2016 adjusted for €32 million of IPO related costs, FY2014 adjusted for €14.1 million of non-recurring refinancing cost

FY 2016 sales evolution through the year

Improving momentum into year-end across all geographies

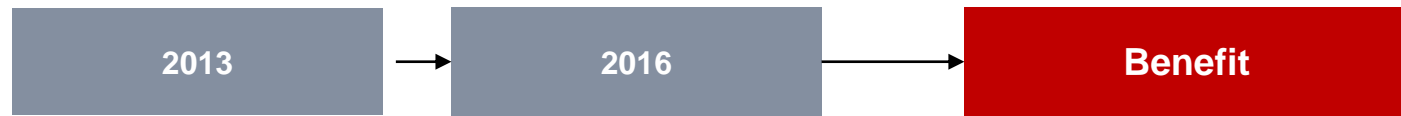
	H1 2016	H2 2016	Q4 2016
Spain chain sales (%)	5.1%	5.4%	8.1%
LFL growth (%)	3.7%	3.5%	6.1%
Expansion (%)	1.4%	1.9%	1.9%
Core international chain sales¹ (%)	9.8%	11.7%	12.0%
LFL growth (%)	6.2%	9.4%	9.7%
Expansion (%)	3.6%	2.4%	2.3%

Note:

1. Constant currency, excluding Master Franchises

Telepizza repositioning in recent years

Increasingly an asset light international player in digital delivery



Delivery sales (Spain): %

2013: 52% → 2016: 60%¹

Benefit: Delivery growing double digit

This block features a small image of a Telepizza delivery person on a red scooter. The chart shows a blue box with '52%' for 2013 and a red box with '60%¹' for 2016, connected by an arrow. A large blue arrow points to the benefit text.

Digital penetration (Spain): %

2013: 25% → 2016: 40%²

Benefit: Digital customer spend is higher vs phone

This block features a small image of a smartphone displaying the Telepizza app. The chart shows a blue box with '25%' for 2013 and a red box with '40%²' for 2016, connected by an arrow. A large blue arrow points to the benefit text.

Franchised stores: %

2013: 59% → 2016: 67%

Benefit: Reduces capital intensity

This block features a small image of a Telepizza storefront. The chart shows a blue box with '59%' for 2013 and a red box with '67%' for 2016, connected by an arrow. A large blue arrow points to the benefit text.

Geographic footprint

2013: 12 countries → 2016: 20 countries

Benefit: New sources of growth













This block features a small image of a globe. The chart shows a blue box with '12 countries' for 2013 and a red box with '20 countries' for 2016, connected by an arrow. The 2016 box contains icons for the flags of Spain, Russia, Saudi Arabia, United Kingdom, Mexico, India, and Switzerland. A large blue arrow points to the benefit text.

Notes:

- 1. As of Q4 2016
- 2. As of January 2017

Strengthening our leadership team

Key hires in 2016 to execute on our strategy

		Former Company	Credentials
 <p>Giorgio Minardi President International</p>			Over 30 years in Retail operating executive roles
 <p>Nick Dutch Digital Director</p>			c.15 years developing successful Digital platforms
 <p>Mar Romero Chief People Officer</p>			c.15 years developing talent in QSR platforms
 <p>César Concepción Corporate Development</p>			c.15 years of experience in M&A and capital markets

Structural growth levers across all our areas

Telepizza chain sales by area (FY 2016)



Spain Delivery

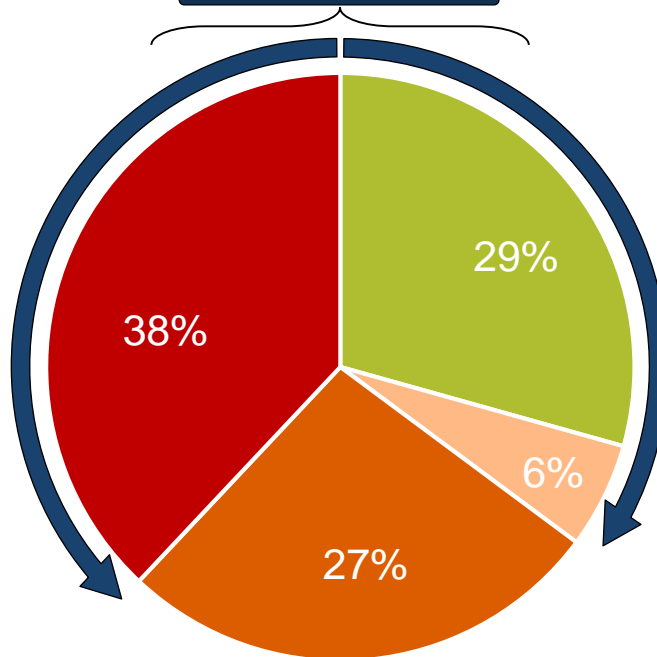
➤ "Homing" and Digitalisation



Spain Non-delivery

➤ Refurbishment and Innovation

c.70% of the Business growing at double digit



Key growth drivers



Core International

➤ Capturing high market growth

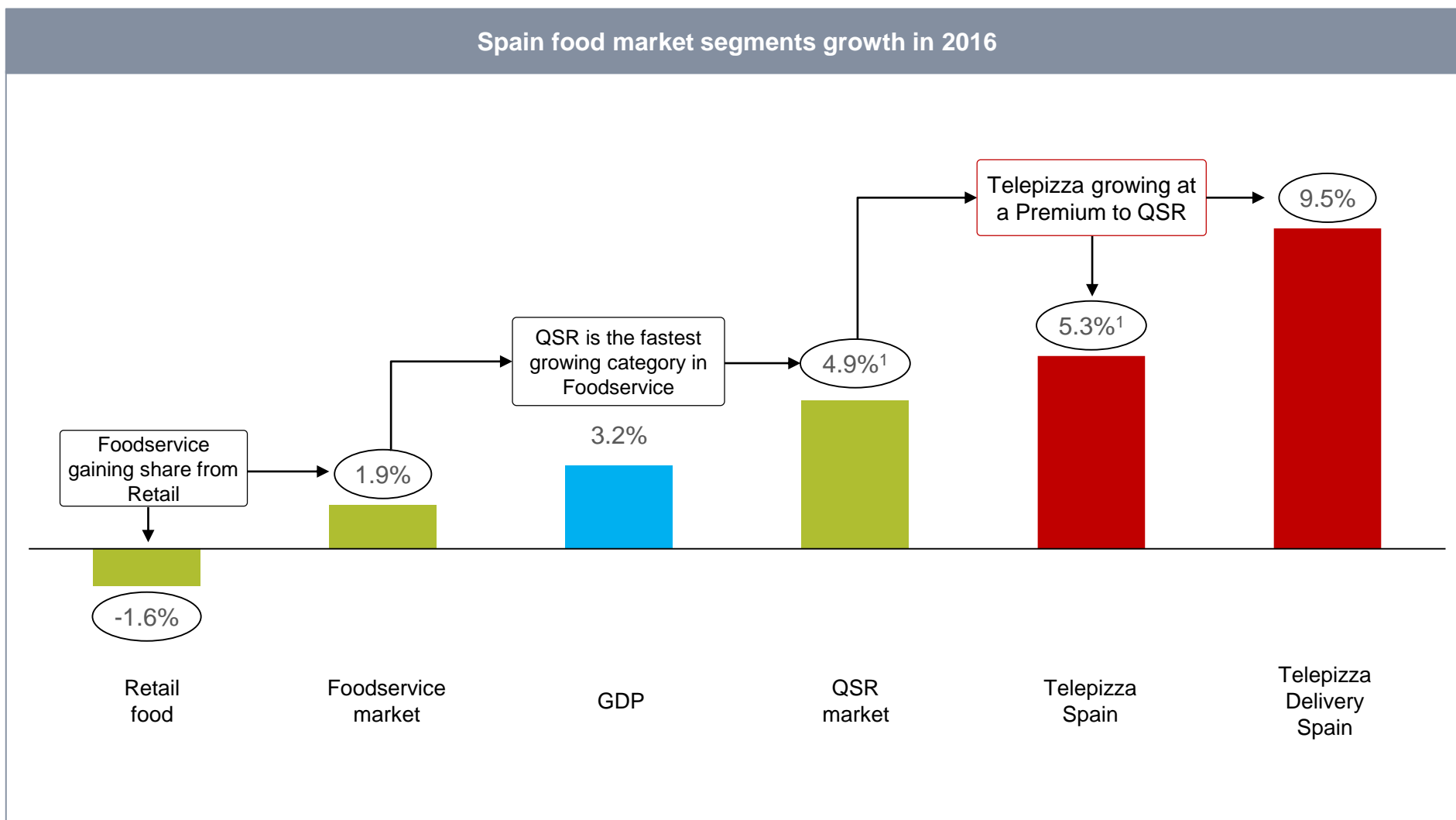


Master franchises

➤ Store growth in new geographies

Telepizza is growing at a premium to the Market, driven by Delivery

Spain food market segments growth in 2016



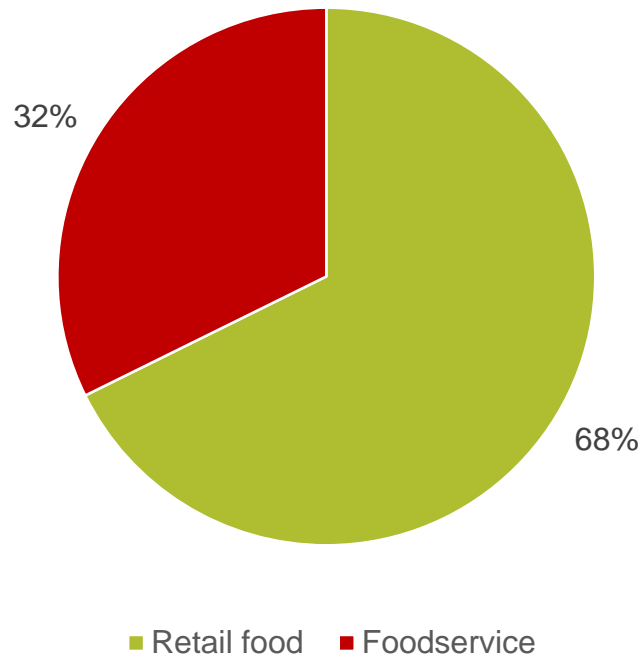
Source: Retail: Kantar; Market data from NPD, GDP data from INE, Telepizza data from Company information

Note:

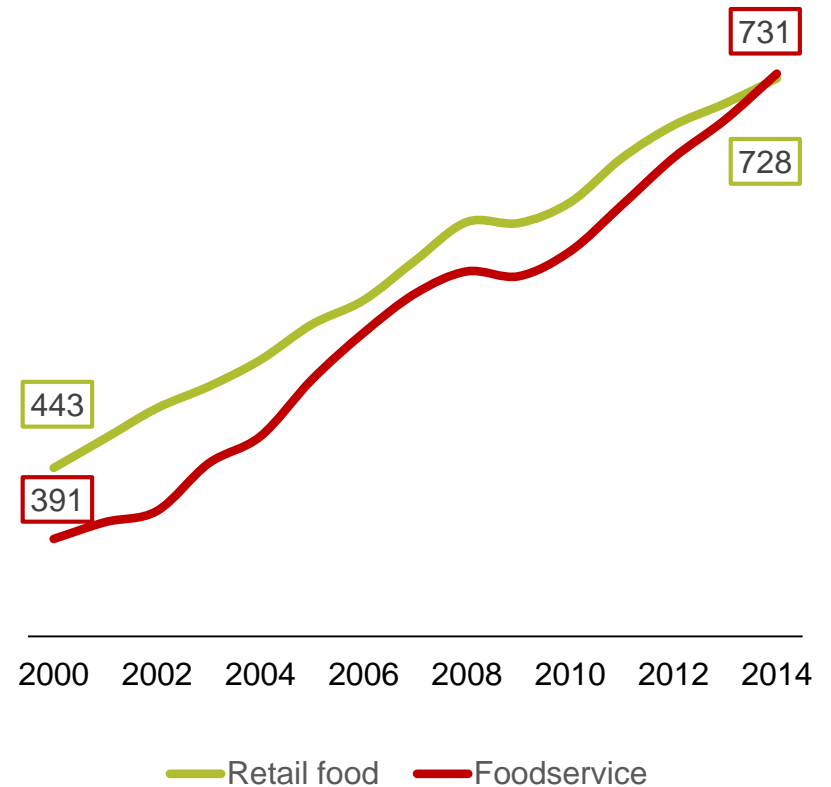
1. Actual data for Telepizza and NPD data for QSR. Gap between Telepizza and QSR according to NPD data is higher: 80bp

Foodservice market in Spain has structural growth potential ...

Retail food vs Foodservice in Spain

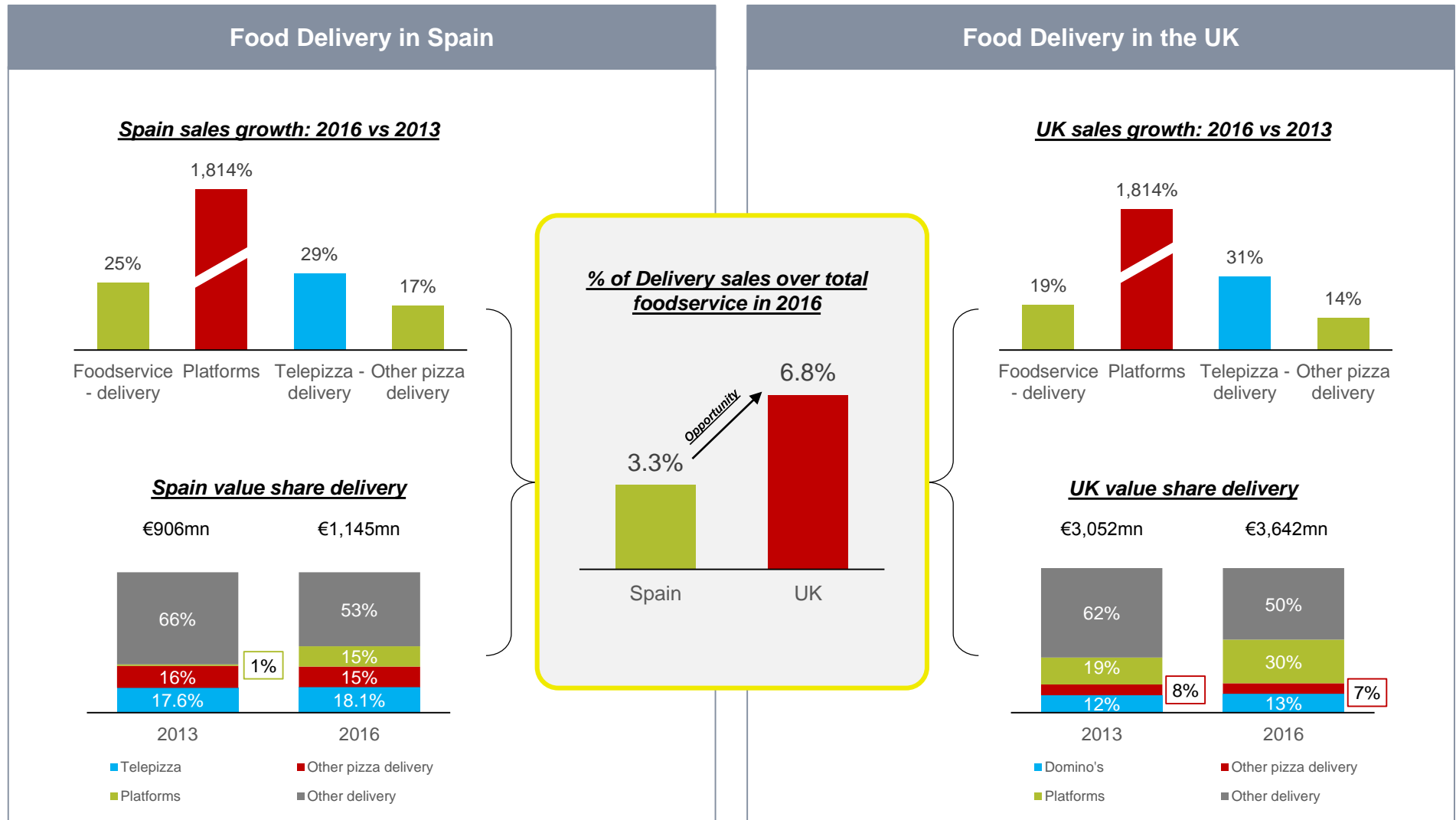


Retail food vs Foodservice in the US (\$bn)



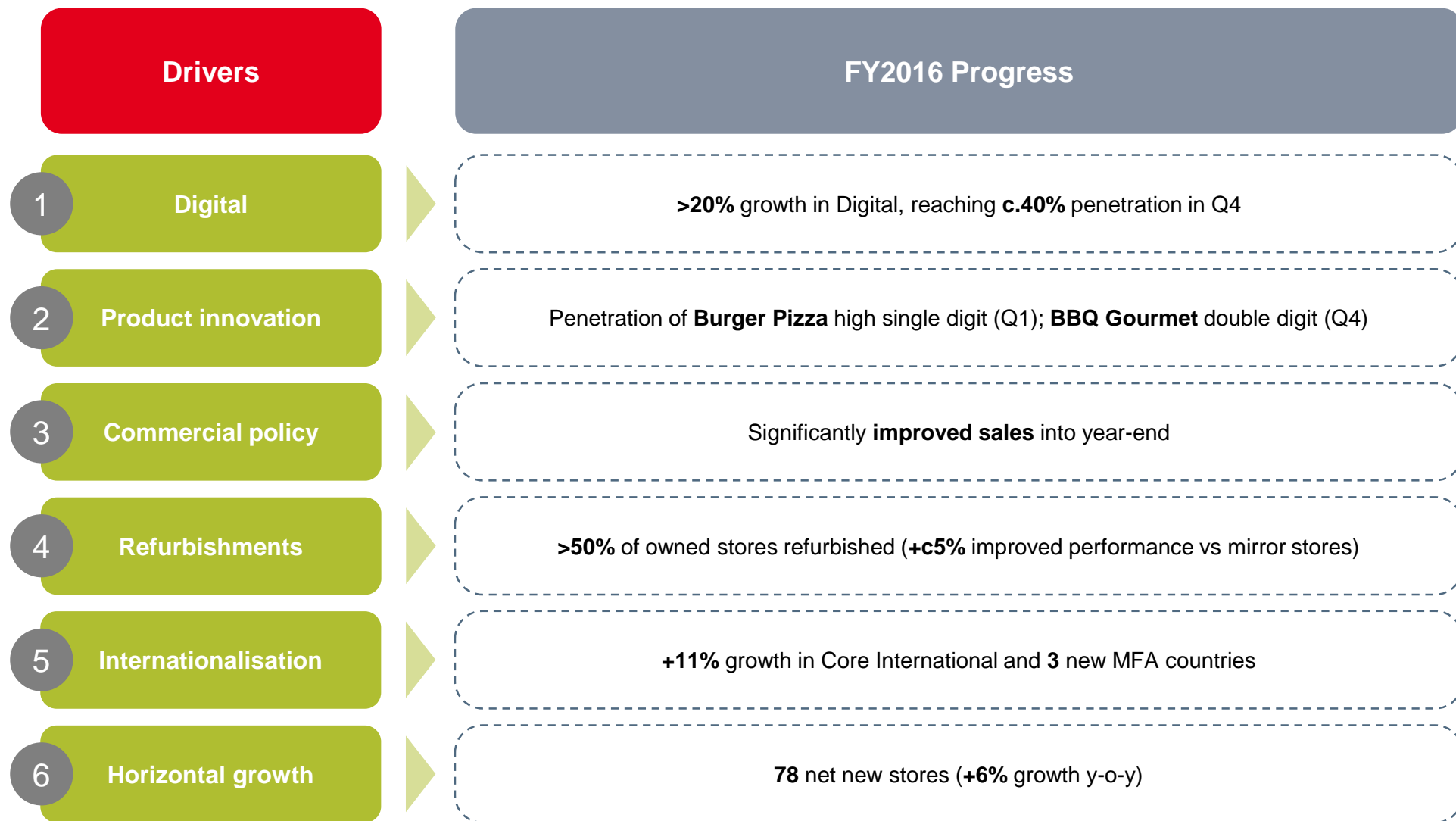
Source: US data: Economic Research Service, USDA; Spain data: Ministry of Agriculture

... And the Delivery segment could more than double to only reach today's penetration in more mature markets



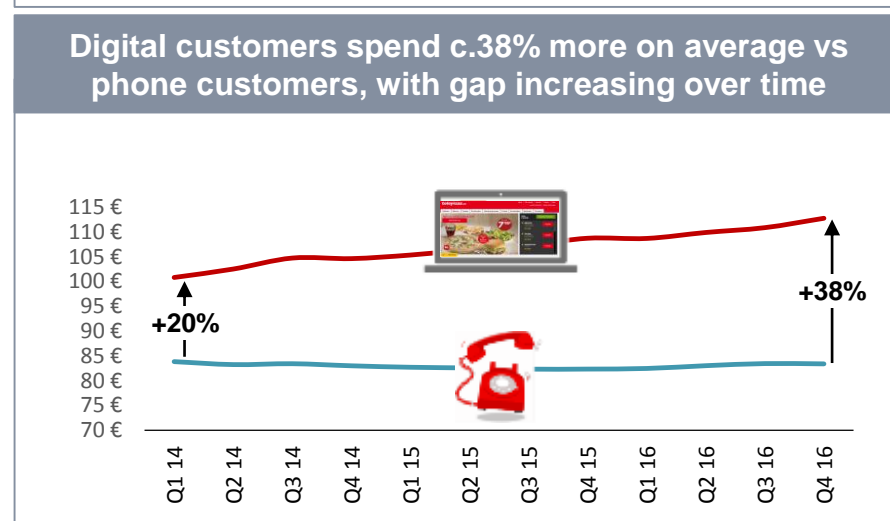
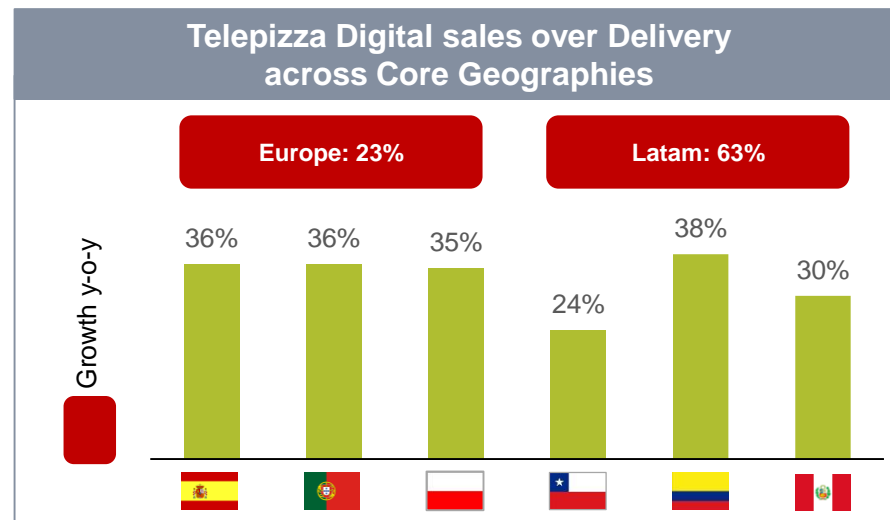
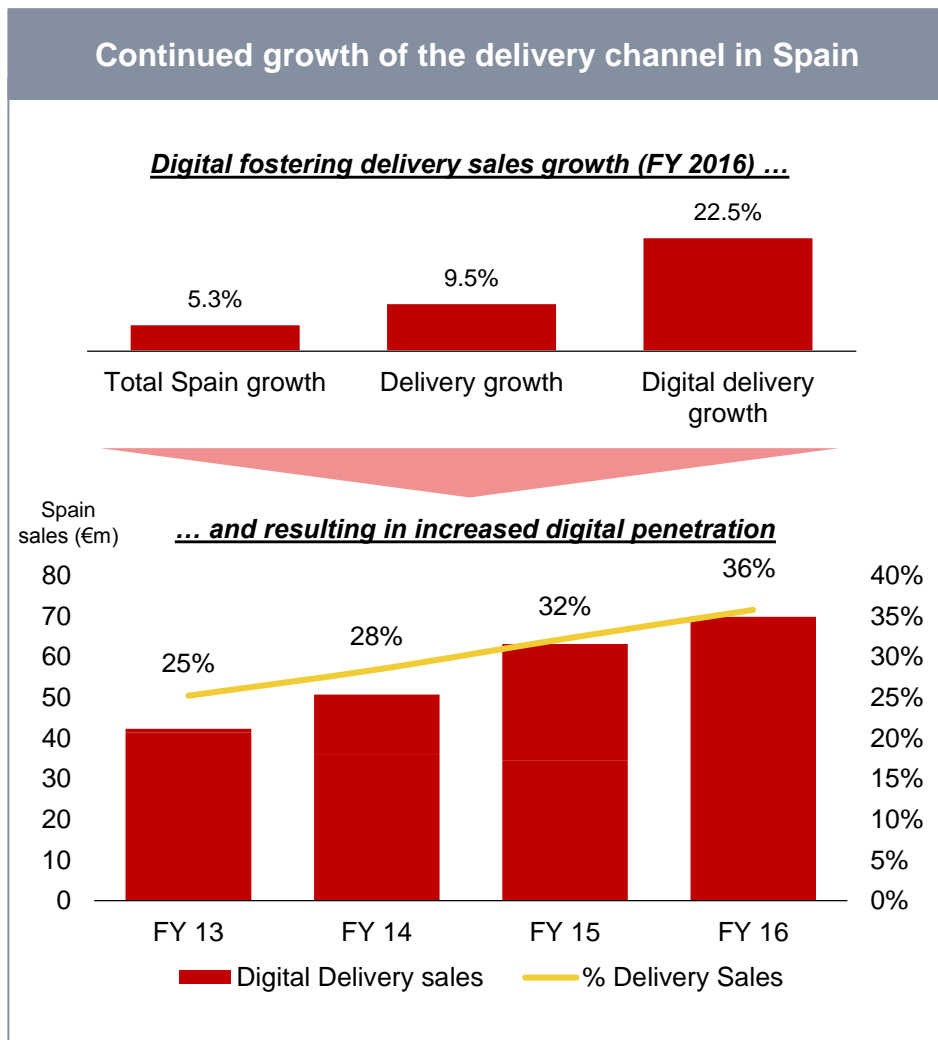
Source: NPD

Actively pursuing the growth opportunity today



1 Digital: The numbers

Digital sales growth of >20% in FY 2016, now accounting for c.40% of delivery sales in Spain¹



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

1 Digital: The channels



Mobile

Web PC



TV

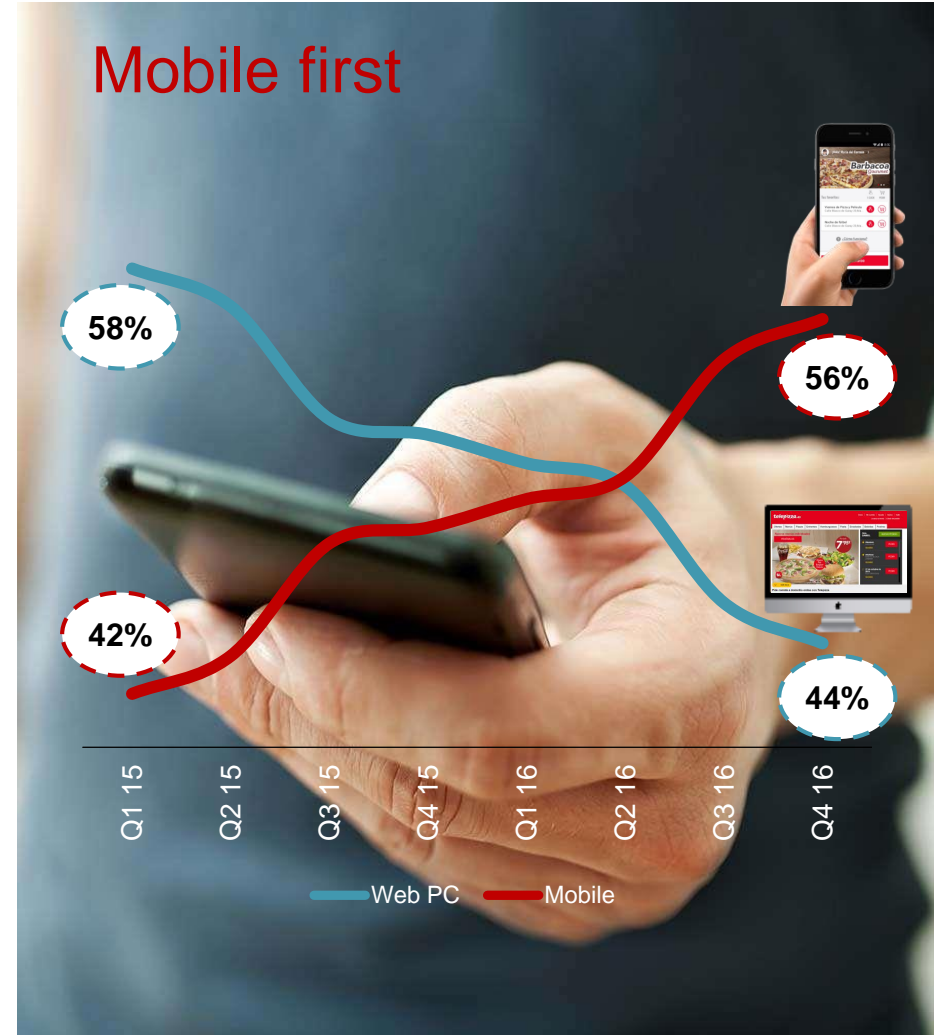
Click & Pizza



Peeble watch

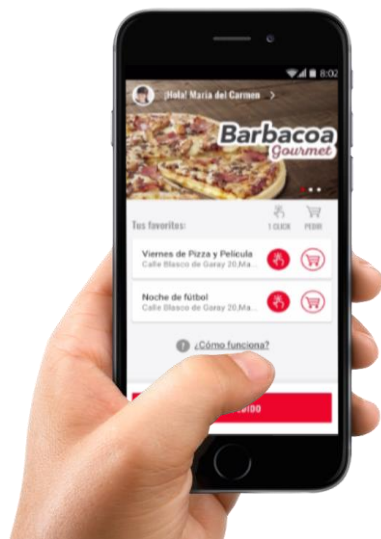
Twitter

Click to Chat



1 Digital: The future

Initiatives to drive digital penetration: New App (2017)



Look and feel



Fast, modern: user is guided throughout the order process, awaken curiosity

Quality feel



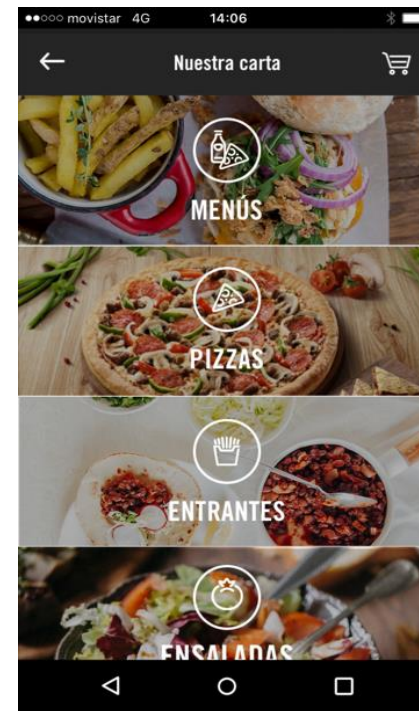
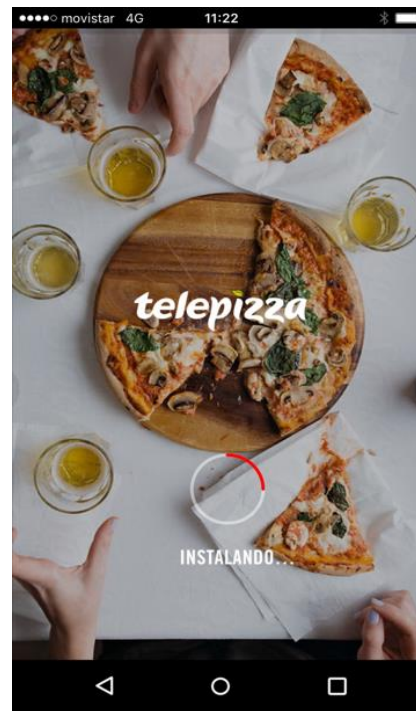
Tastiness feel captures the interest of the user

Modern feel



Proving that Telepizza cares by offering the best experience in the ordering process

Proximity feel



- **Catalog**
- **Tokenized payment gateway**
- **Store geolocation**
- **New street database**
- **Order tracking**
- **Loyalty program**
- **Always on Beta testing philosophy**
- **Frequent future releases with additional functionalities**

2 Innovation: The Products

Innovation driving higher average ticket, brand differentiation and customer loyalty

Spain 

Pizza Burger



Pizza BBQ Gourmet



International



Pizza Vulcano



Pollo vegetariano



Pizza Lasagna



Brunch



Frutizza

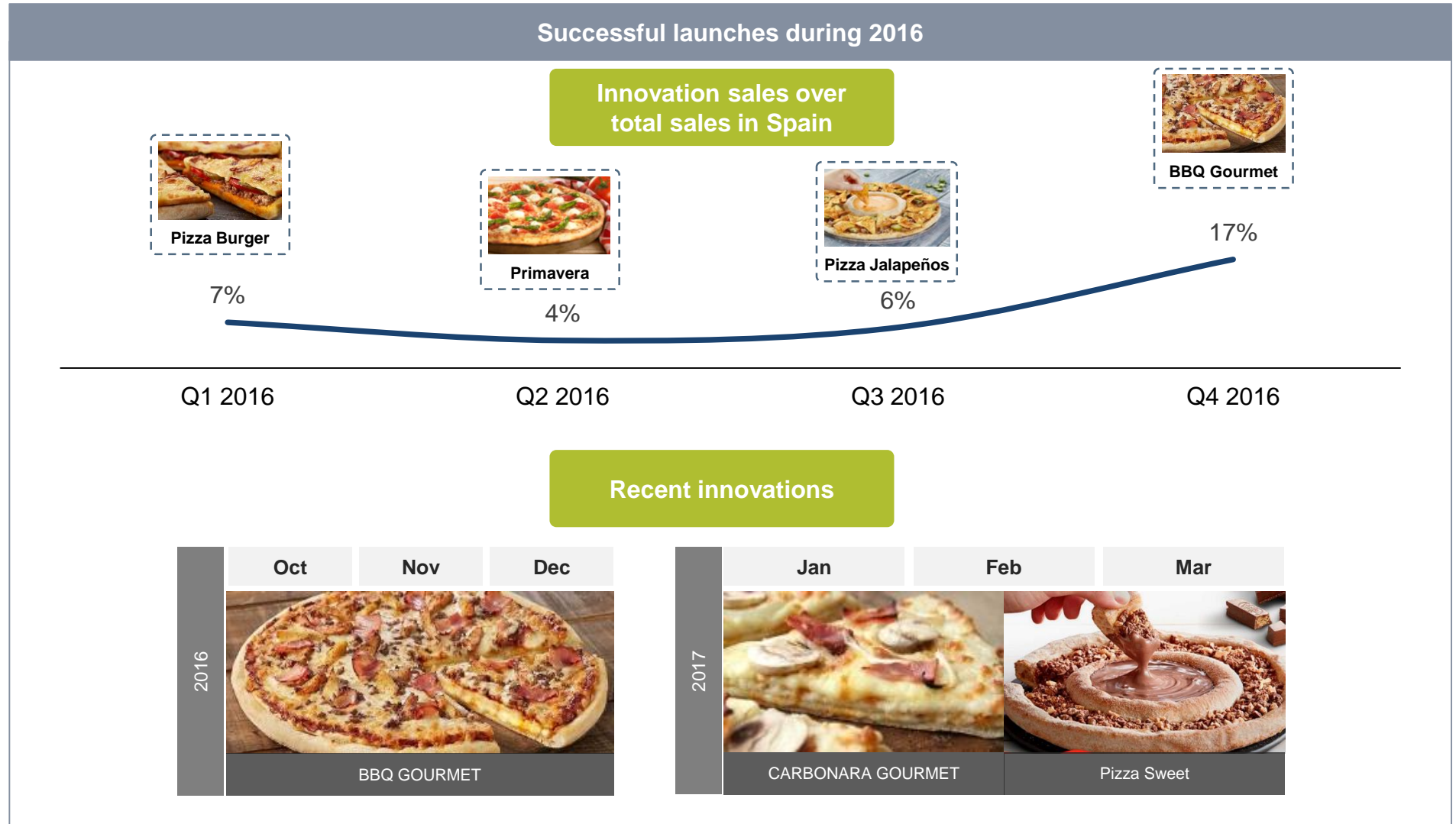


Pizza Royal Thai



2 Innovation: The numbers

Innovation priced at a premium, and selling well



3

Commercial policy: The levers and the numbers

Commercial policy underpinning recovery of sales in Spain

Commercial policy and results

Key parameters


- Tactical price reduction in Spain Non-Delivery
- Impact partially offset by product innovation (priced at a premium)
- Consistent communication across entire network
- Target to offset average ticket decline through volume increase
- No impact on Delivery

Financial impacts


- Q4 has recorded the highest y-o-y growth in 2016
- c.100bp gross margin compression in Spain y-o-y

Pizza of the month
7€ range

2016

Oct	Nov	Dec
		
PIZZA RODEO		

2017

Jan	Feb	Mar
		
PEPE PEPPERONI		

4 Refurbishments: The experience



↑ Phone + web

Open store →---



↑ New spaces →---



Digital Menuboard →---

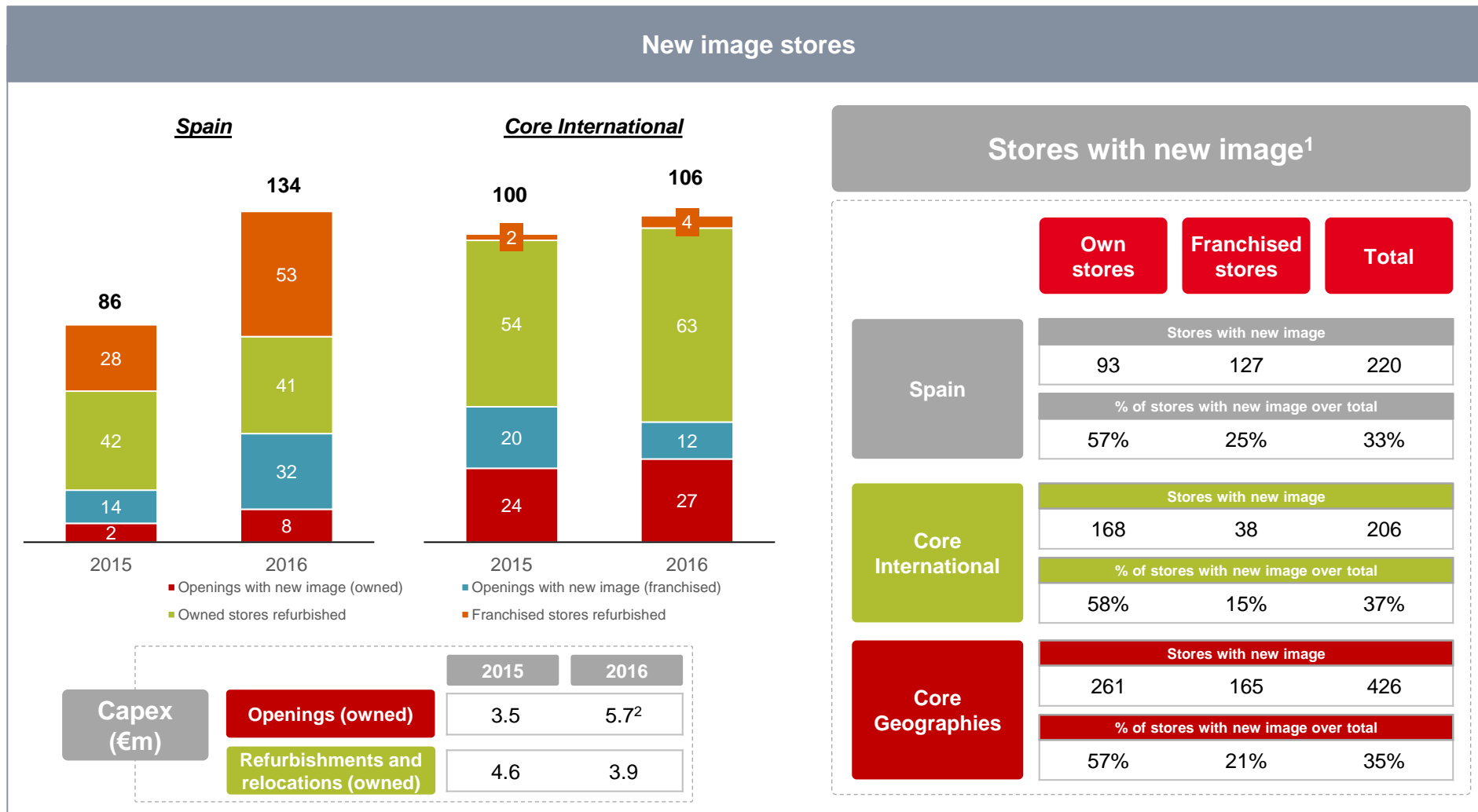


Mobile phone chargers →---



4 Refurbishments: The numbers

Benefits of refurbishments (+c.5% vs mirror stores) driving acceleration of refurbishment plan



Notes:

1. New image includes refurbished and new stores opened with the new image during 2015 and 2016
2. Excluding €1.8 million of investment in Switzerland

5 Core International: Chile and Portugal

Robust positioning, with above market growth rates

Chile



- c. one third of Core International
- Very high single digit growth (constant currency)
- 143 stores (+5 y-o-y)
- c.2% GDP growth
- Value share gains through increase of average ticket






Portugal



- c. one third of Core International
- Double digit growth
- 109 stores (+4 y-o-y)
- c.2% GDP growth
- Above market growth across all channels
- VAT reduction tailwind

5 Core International: Emerging geographies

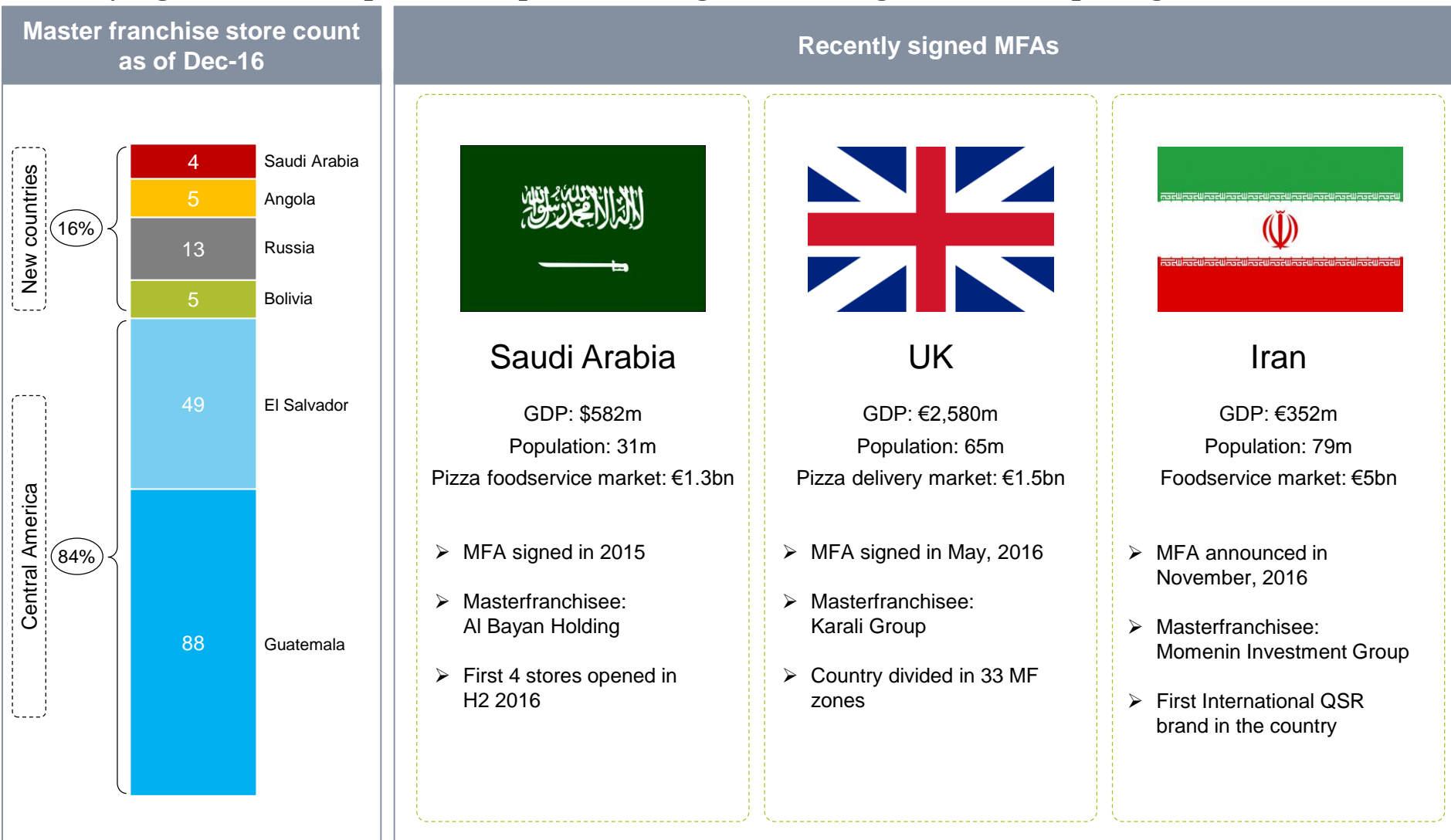
High single digit growth in other Core Geographies, in constant currency

Rest of Europe	Other Latam ¹
<p style="text-align: center;"><u>Poland</u></p>  <ul style="list-style-type: none"> ■ 120 stores (-1 y-o-y) ■ Strong performance of owned stores <p style="text-align: center;"><u>Switzerland</u></p>  <ul style="list-style-type: none"> ■ 11 stores ■ Market with high average ticket 	<p style="text-align: center;"><u>Colombia</u></p>  <ul style="list-style-type: none"> ■ 95 stores (+4 y-o-y) ■ Leader in highly fragmented market <p style="text-align: center;"><u>Peru</u></p>  <ul style="list-style-type: none"> ■ 47 stores (+7 y-o-y) ■ #2 player in the market <p style="text-align: center;"><u>Ecuador</u></p>  <ul style="list-style-type: none"> ■ 23 stores (+4 y-o-y) ■ Market leader in Guayaquil

Note:
1. There are also 2 owned stores in Panama

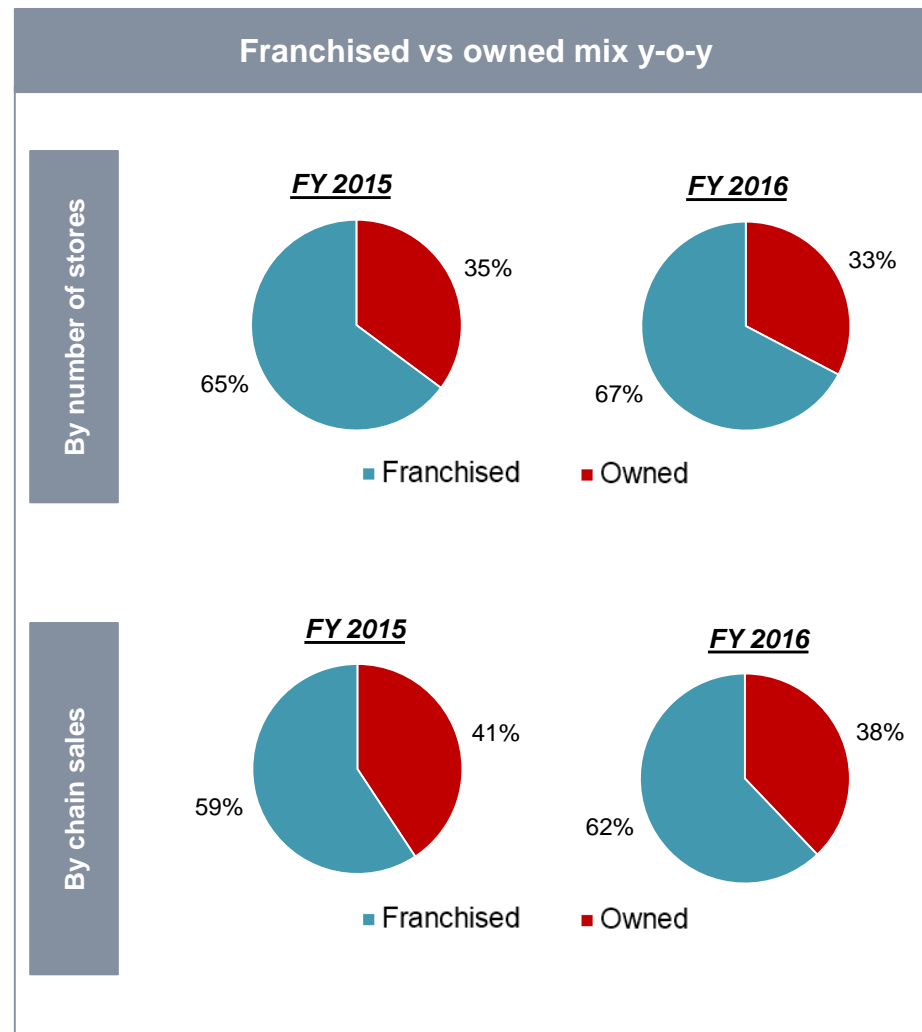
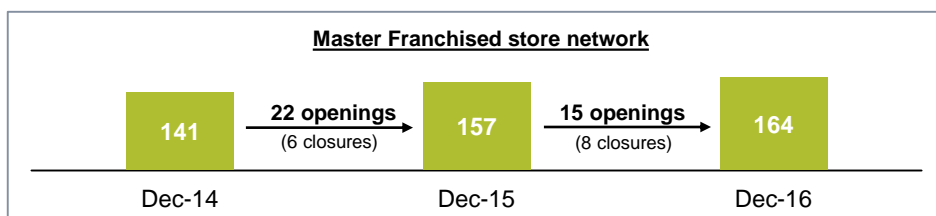
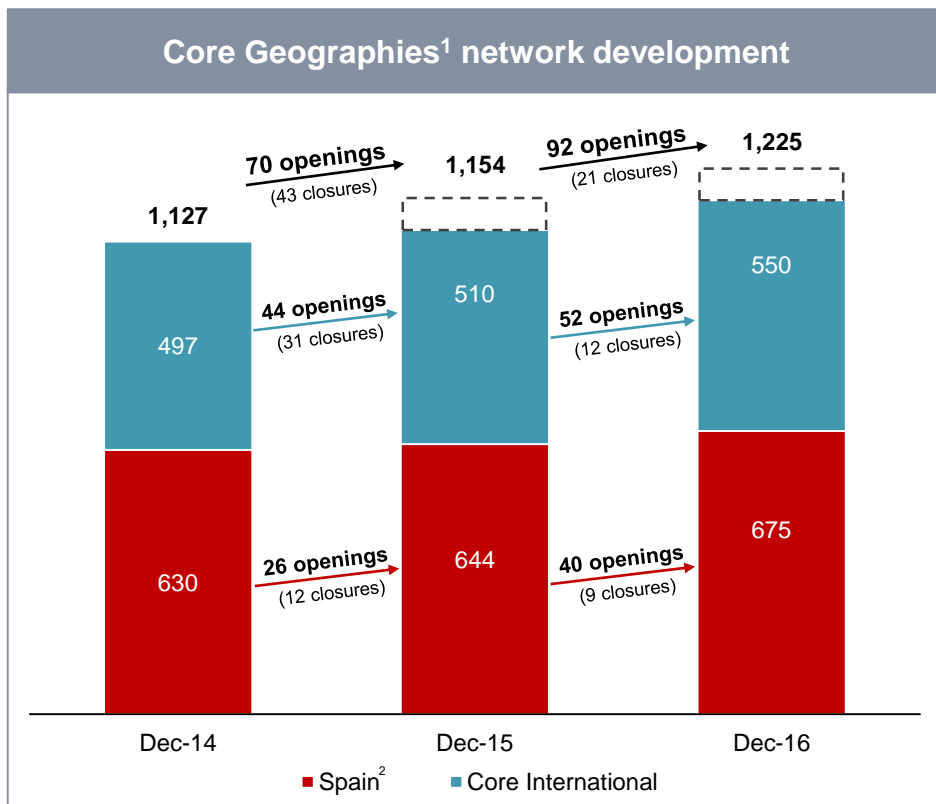
5 International: Master franchises

Recently signed countries provide ample room for growth through new store openings



6 Unit expansion: More than doubling the rate year-on-year

92 gross / 71 net store openings in Core Geographies in FY 2016 (vs 70 gross / 27 net in FY 2015)



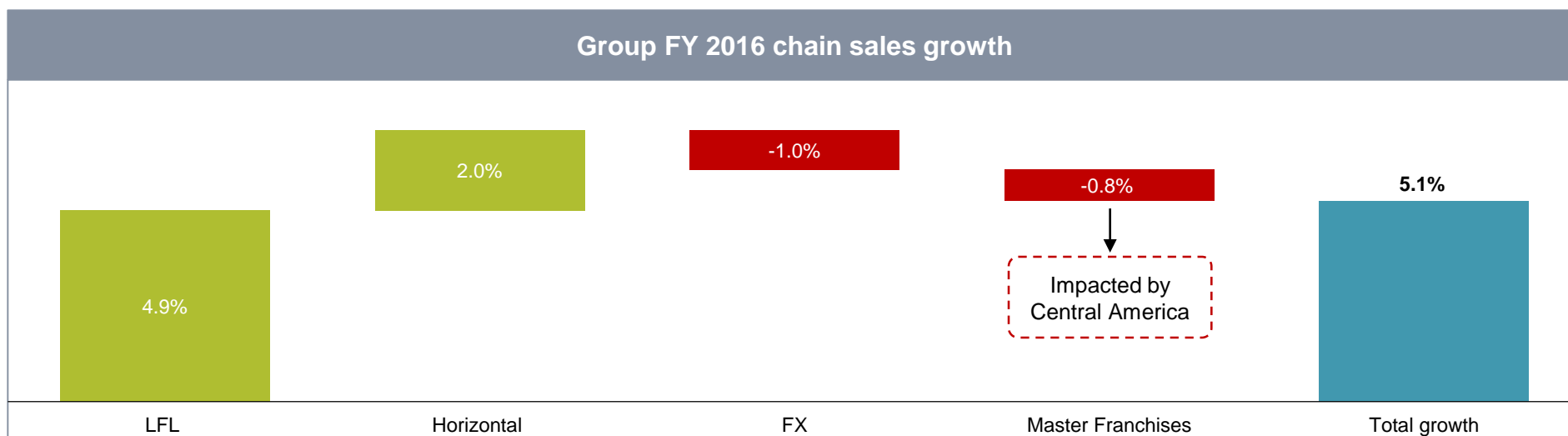
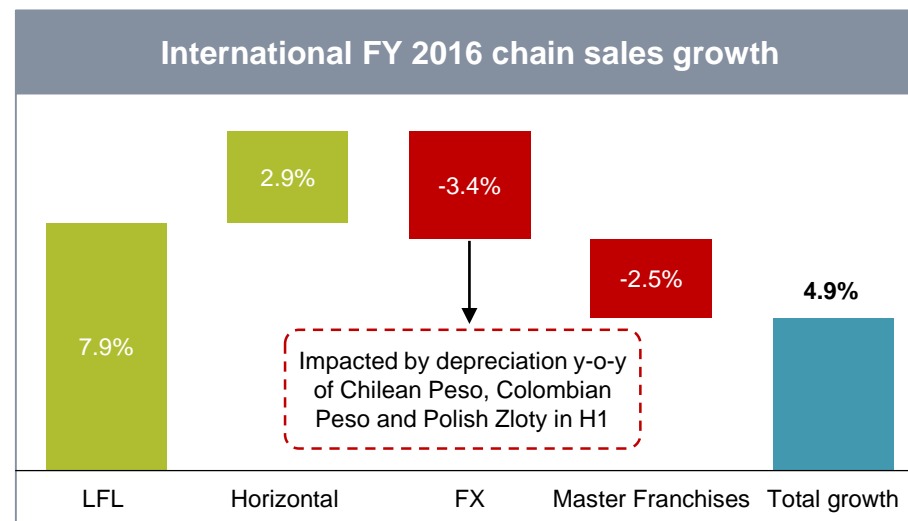
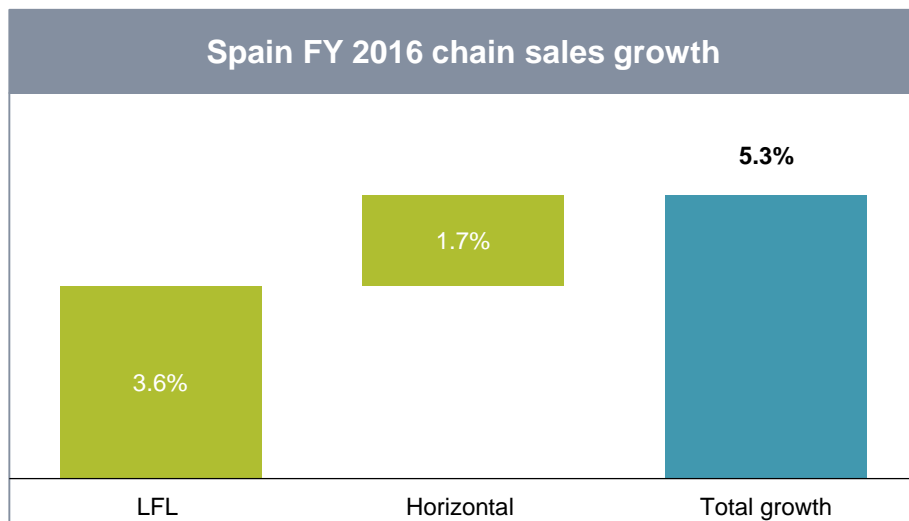
Notes:
 1. Excluding Master Franchises, including Switzerland
 2. Includes stores in Morocco

Financial information



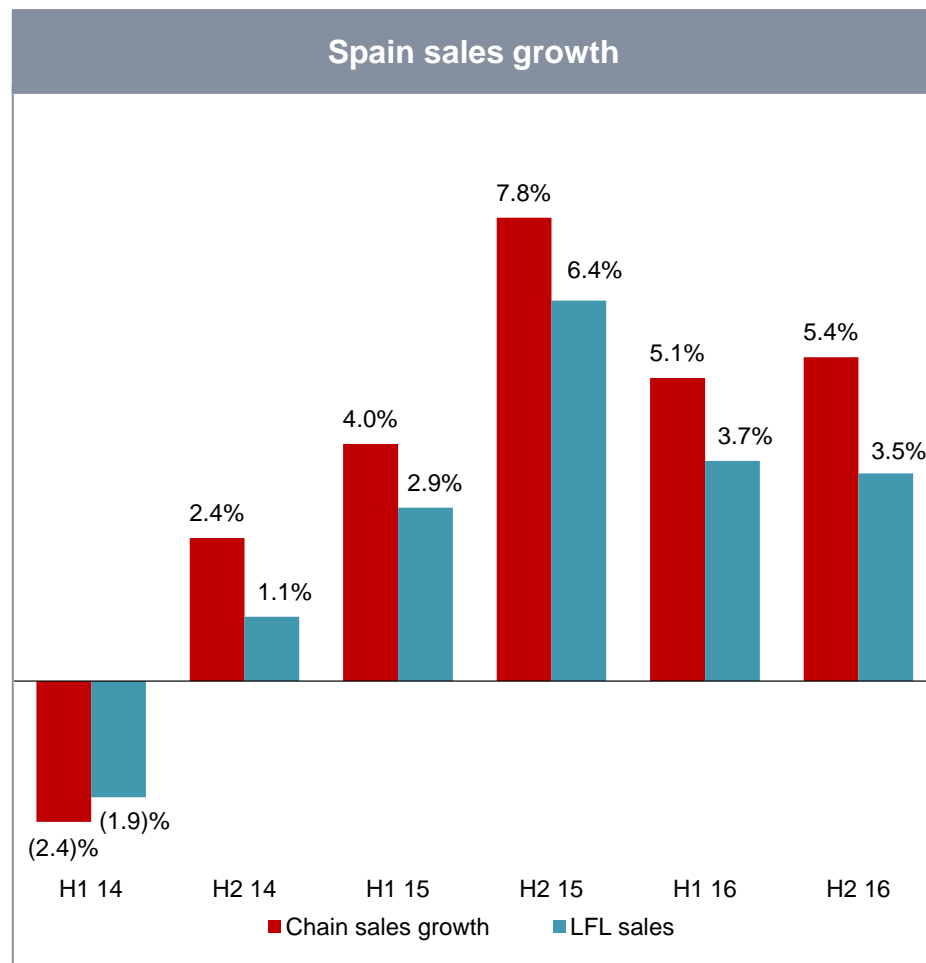
FY 2016 reported chain sales bridge

Impact of FX and negative contribution of Master Franchises in International sales



Chain sales growth: solid performance in FY 2016

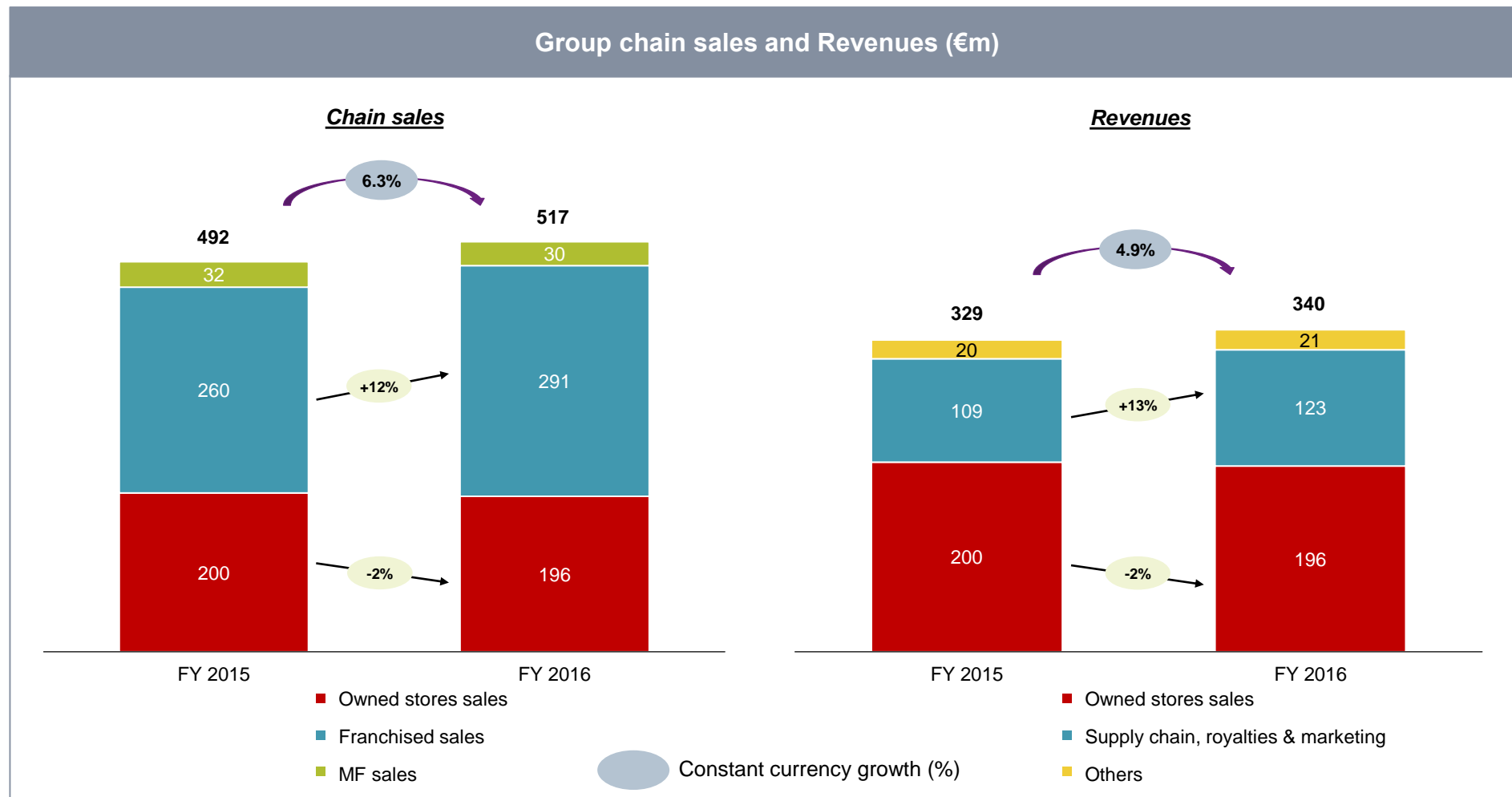
In FY 2016, chain sales consolidated in Spain, with mid-single digit growth, while Core International¹ posted a record double digit growth performance



Note:
1. Constant currency, excluding Master Franchises

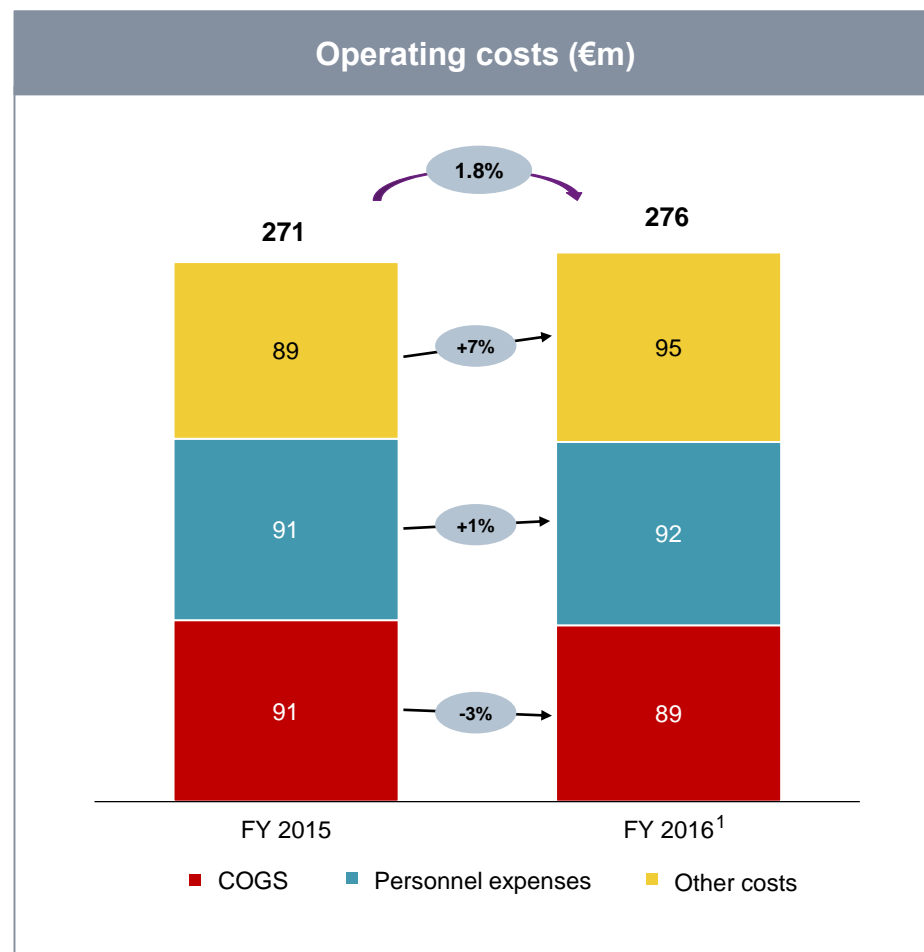
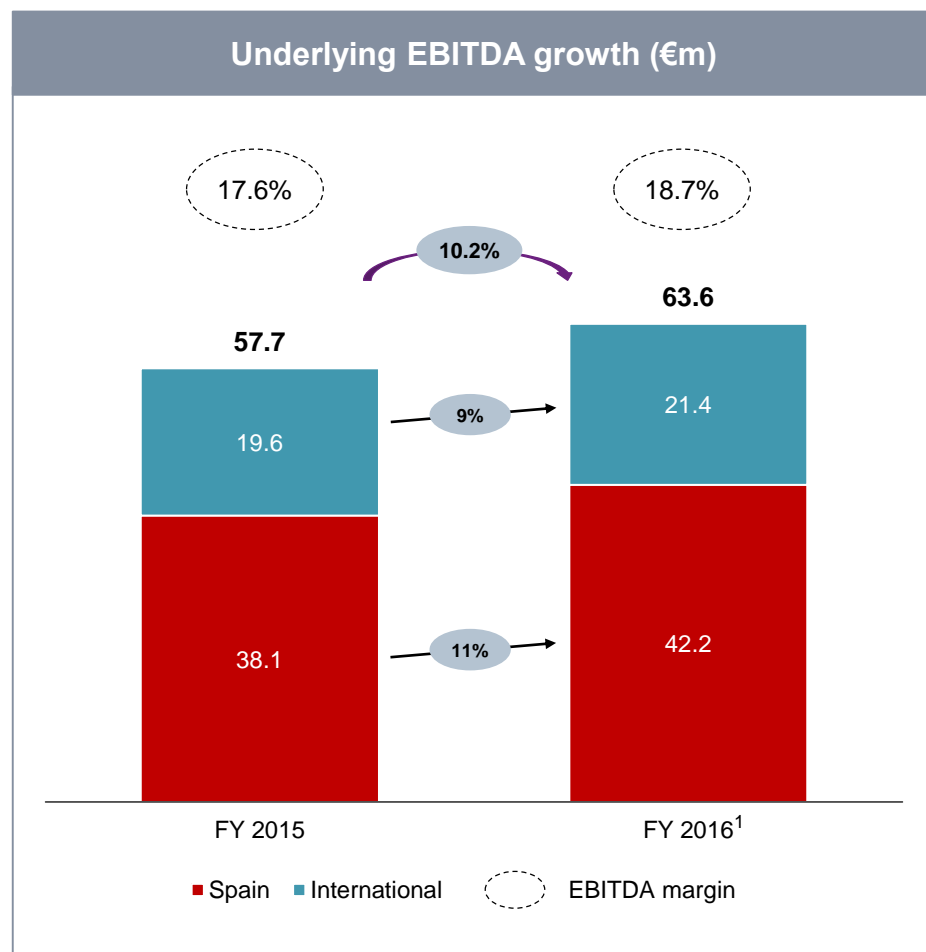
Chain sales and Revenues

Strong growth in franchised chain sales, as the franchisee network expands, delivering similar growth in franchisee-related revenues



Underlying EBITDA

Double digit Underlying EBITDA growth on the back of LFL growth and gross margin expansion



Note:
1. FY 2016 adjusted for €32 million of IPO related costs

Summary income statement

€m (unless otherwise stated)	FY 2016	FY 2015	% change (2015-2016)
Total revenues	339.6	328.9	3.2%
Underlying EBITDA	63.6	57.7	10.3%
<i>Underlying EBITDA margin (%)</i>	18.7%	17.6%	1.2%
Depreciation and amortisation (excl. PPA amortisation)	(11.6)	(10.8)	7.0%
Underlying EBIT	52.1	46.9	11.0%
IPO costs	(32.0)	-	-
PPA amortisation	(5.8)	(5.8)	0.0%
Net financial income / (expense)	(21.8)	(35.4)	(38.5%)
Other ¹	(0.7)	(4.0)	(82.6%)
Income tax	19.0	(2.8)	n.m
Results for the period	10.7	(1.1)	n.m

Tax assets as of 31 December

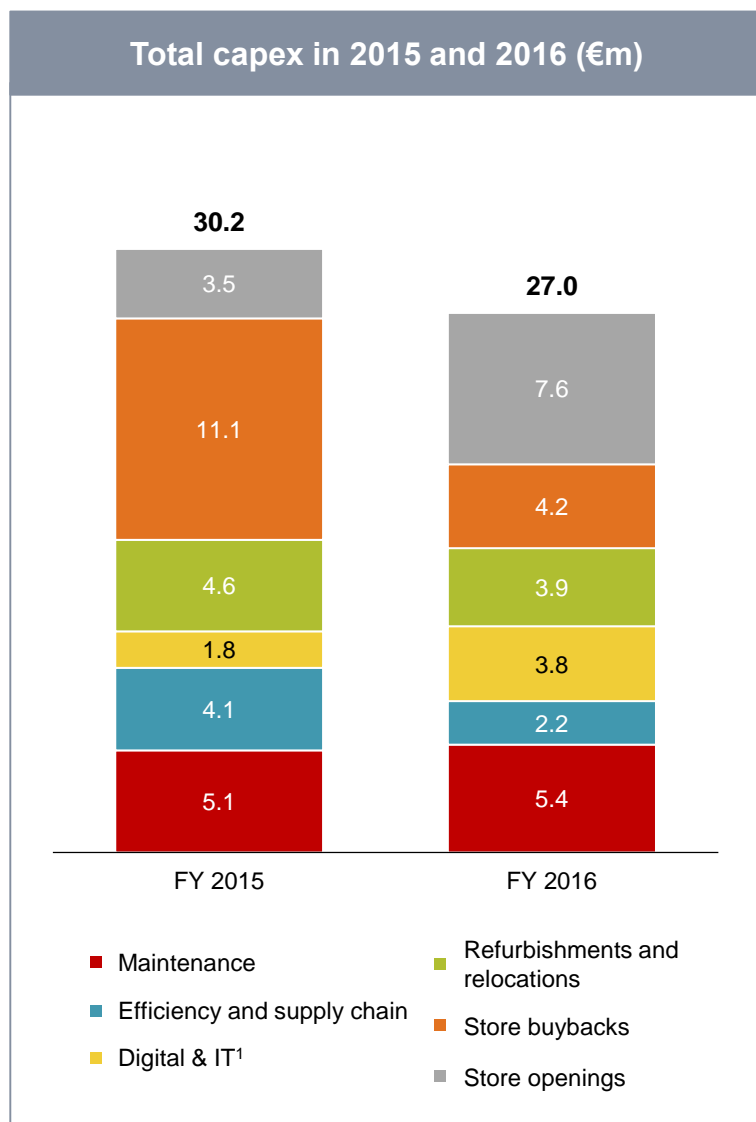
€43m NOLs²

€164m of interest carried forward
(deductible up to 30% of annual EBITDA)

Notes:

1. Includes impairment losses and losses on sale of PP&E
2. Net operating losses

Capital expenditure



■ Store openings:

- Higher number of openings in 2016
- €1.8 million investment in 2016 related to new stores in Switzerland

■ Buybacks:

- Material reduction in buybacks from franchisees in 2016 as store network becomes increasingly optimized

■ Capex policy:

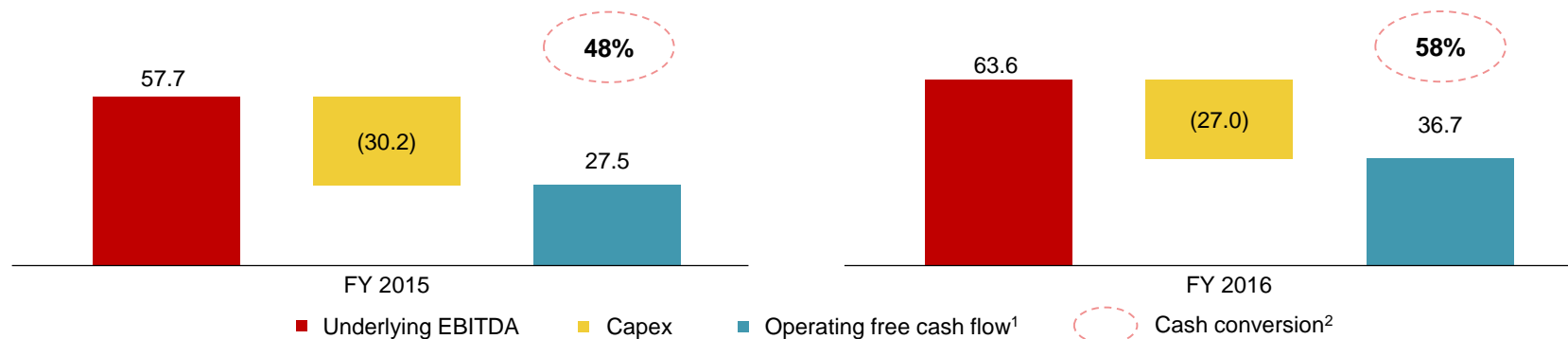
- Continued investments in new store openings
- Single, strategic acquisitions of larger store networks possible, but not budgeted
- Target to complete majority of owned stores refurbishments within 2017

Note:

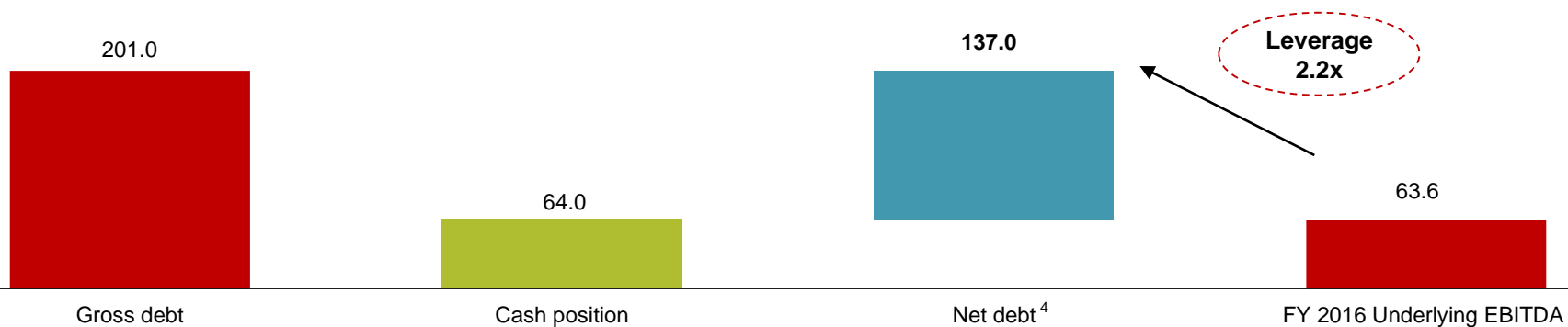
1. Including IT-related maintenance capex

Cash conversion and Leverage

Cash conversion (Underlying EBITDA – Capex) (€m)



Leverage ratio³ as of 31st December: 2.2x



Notes:

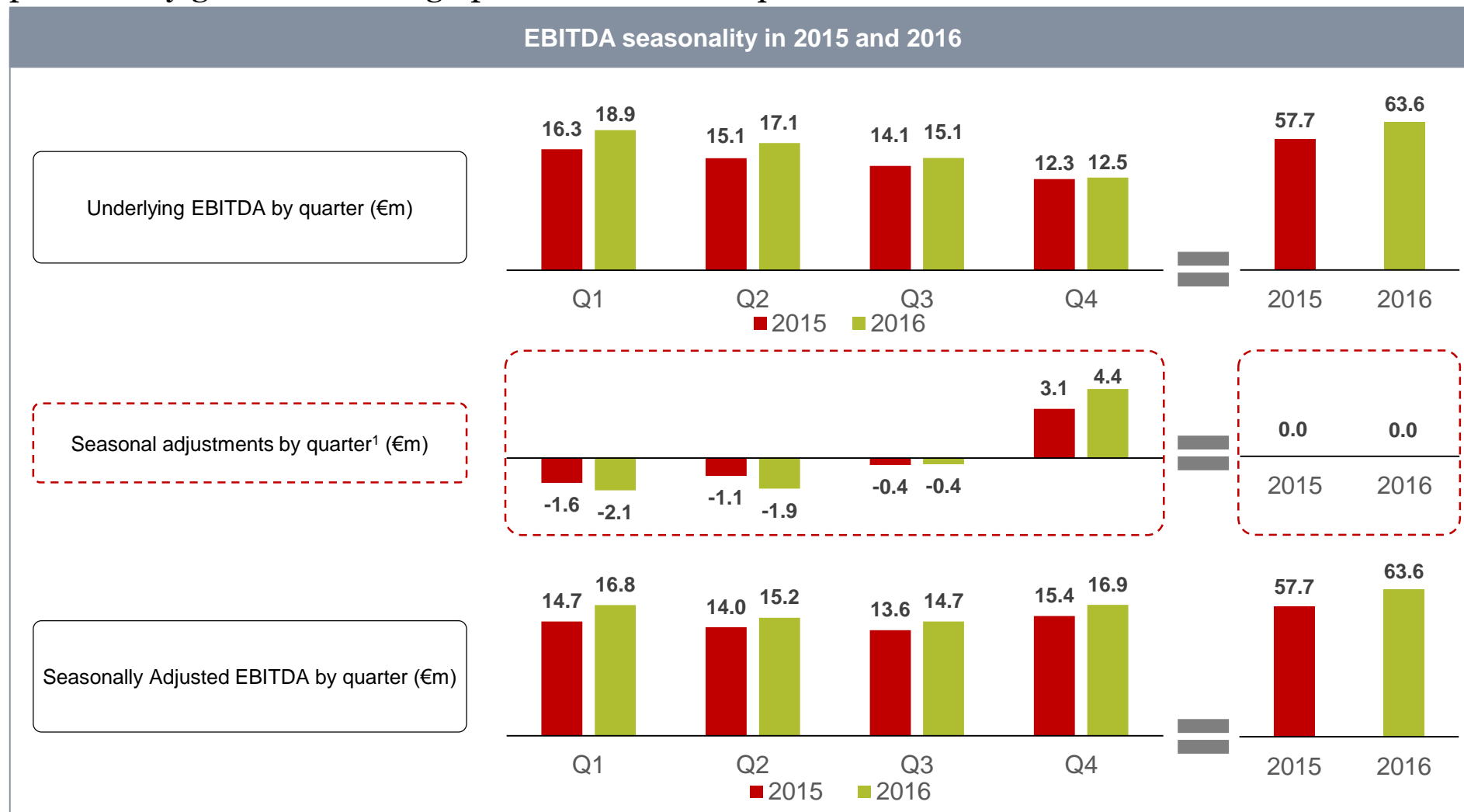
1. Operating cash flow measured as Underlying EBITDA - Capex
2. Cash conversion measured as operating cash flow divided by Underlying EBITDA
3. Measured as Net Debt / Underlying EBITDA
4. Net debt measured as gross debt – cash position

FY 2017 trends



Seasonally Adjusted EBITDA

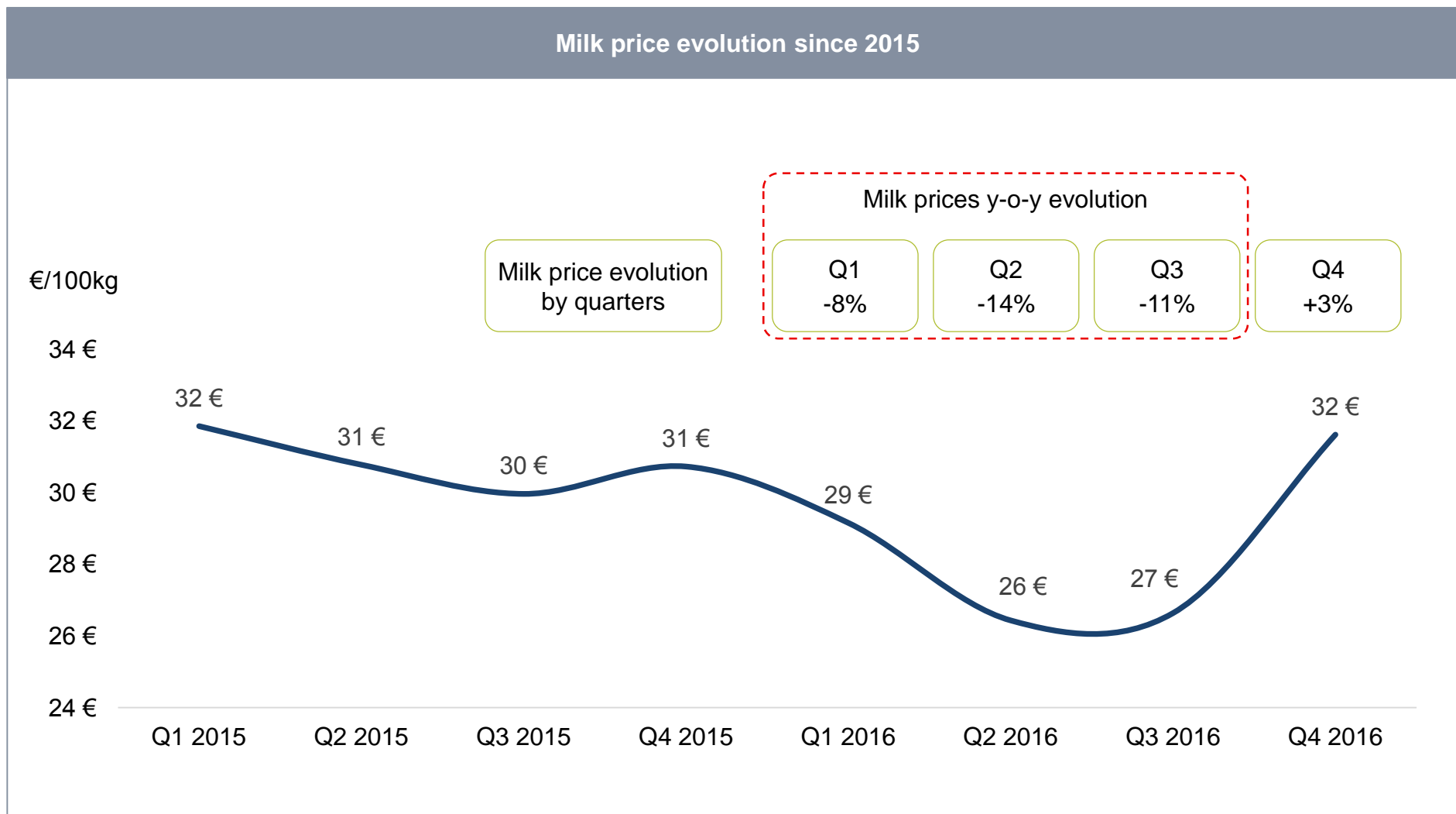
Set out below is an Adjusted level of quarterly EBITDA that more accurately correlates with the profitability generated through product sales each quarter



Note:

1. Quarterly deviations vs yearly average on level of rebates, marketing costs and franchise fees

Raw materials prices year-on-year evolution



Source: Weighted average milk prices in the EU, EU Milk Market Observatory, DG Agriculture (European Commission)

Elements impacting quarterly performance in 2016 and 2017

2017 quarterly effects in chain sales and EBITDA

Factors impacting chain sales growth y-o-y in Spain

	<u>Q1</u>		<u>Q2</u>		<u>Q3</u>		<u>Q4</u>	
FY 2016	0.9%	4.1%	-1.7%	1.7%	0.7%	7.2%	-0.5%	5.6%
FY 2017	-2.8%	5.2%	1.1%	2.1%	0.5%	0.6%	-0.8%	6.1%

<u>FY 16</u>	
-0.1%	4.6%
<u>FY 17</u>	
-0.5%	3.6%

Calendar impact y-o-y
 Previous year LFL growth

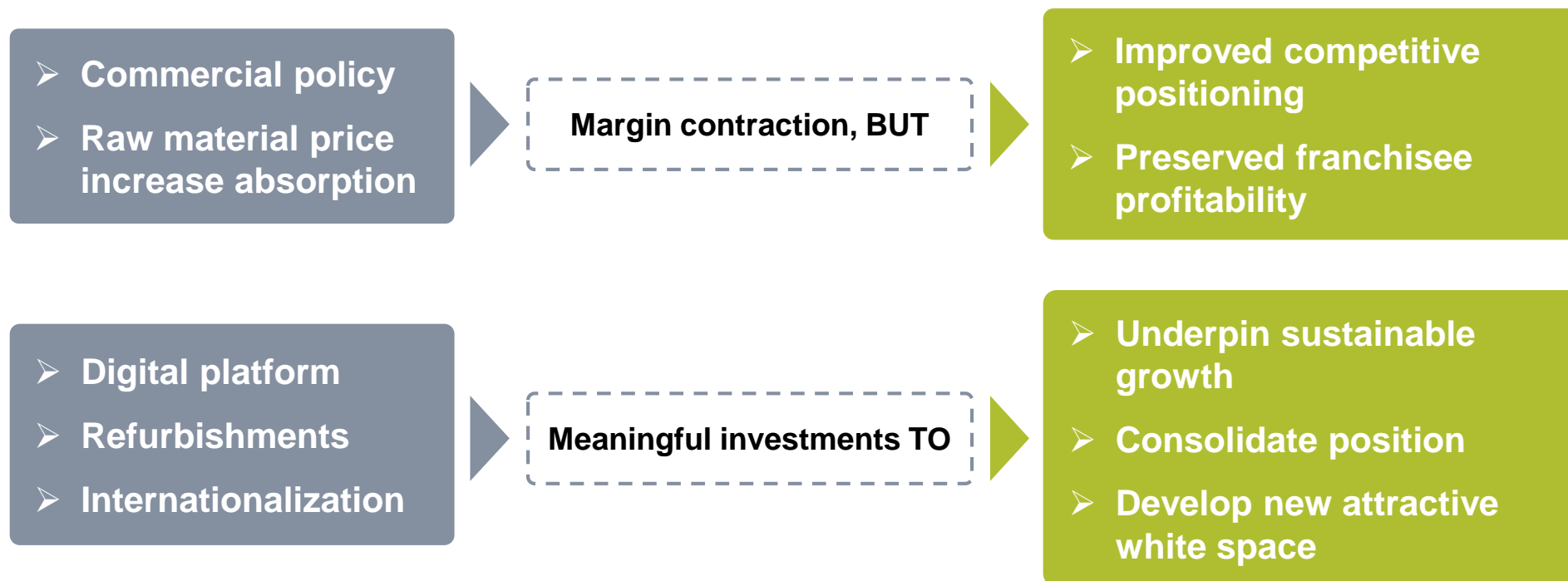
Factors impacting margin y-o-y at Group level

	<u>Q1</u>		<u>Q2</u>		<u>Q3</u>		<u>Q4</u>	
FY 2016	↑	↑	↑	↑	=	=	↓	↓
FY 2017	↓	↓	↓	↓	↓	↓	=	=

<u>FY 16</u>	
↑	↑
<u>FY 17</u>	
↓	↓

Avg. Ticket evolution
 Raw materials price

FY 2017: Key parameters



Investing in the Company and our Shareholders

FY 2017 outlook

Spain total chain sales growth: 4% to 6%

Core International total chain sales growth: 9% to 11%

Underlying EBITDA growth: Low to mid-single digit

Net new stores in Core Geographies: 60 to 80

Capex: c.€30 million (excluding larger acquisitions)

Cash EPS(A)¹: €0.30 to €0.35 per share

Initiation of a dividend for year-end 2017, with payout ratio in the 15% to 20% range

Note:

1. Based on cash taxes and before PPA amortization charges

Q&A



Appendix



Store Count

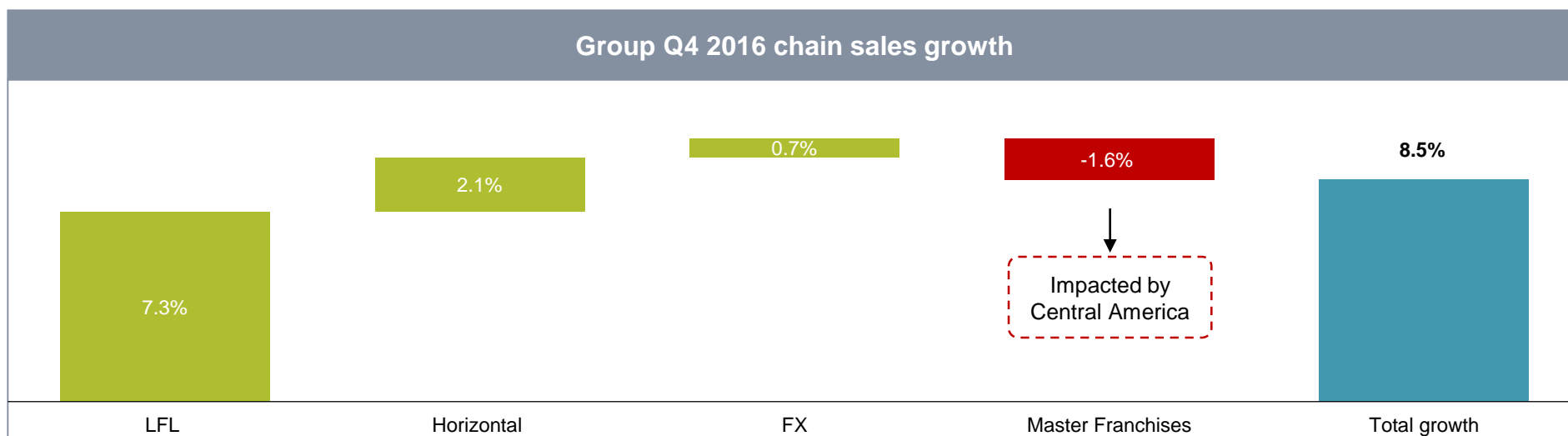
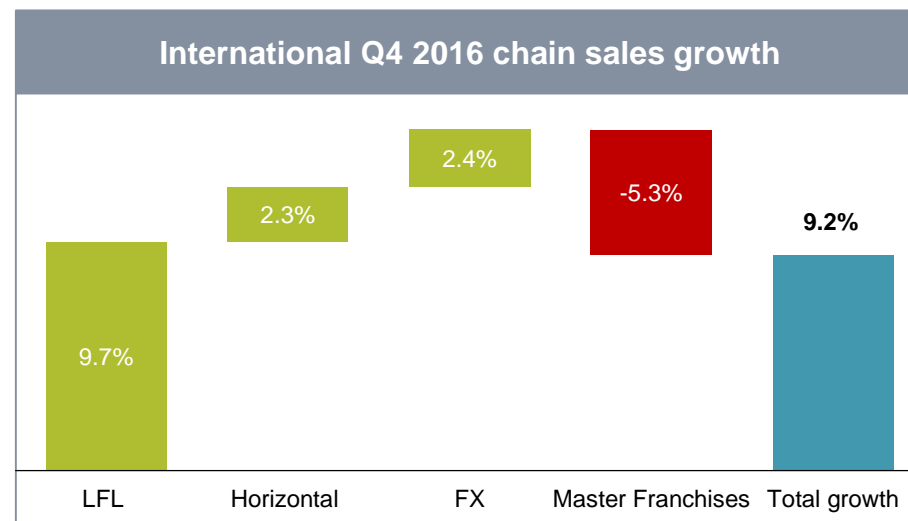
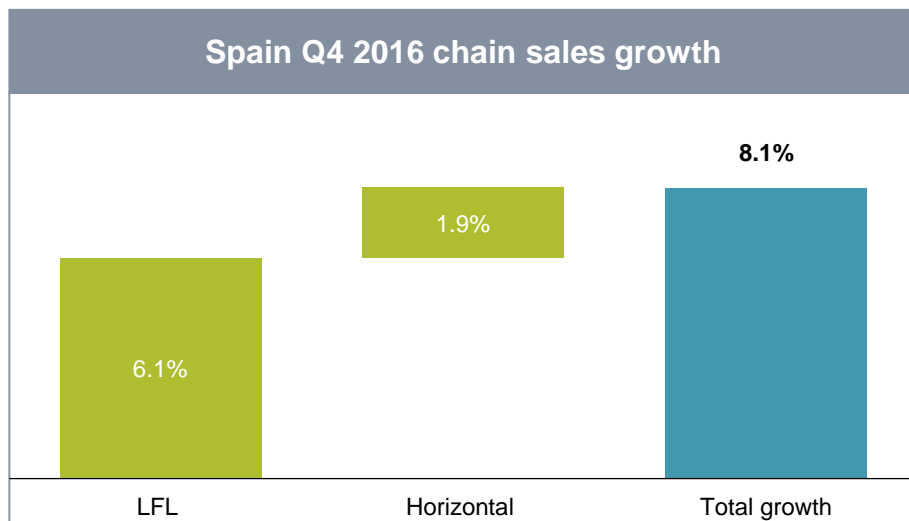
Number of Stores	2016			2015			2014		
	Own stores	Franchised stores	Total stores	Own stores	Franchised stores	Total stores	Own stores	Franchised stores	Total stores
Core Geographies	454	771	1,225	461	693	1,154	464	663	1,127
Spain	164	511	675	183	461	644	191	439	630
Core International	290	260	550	278	232	510	273	224	497
Rest of Europe	73	167	240	73	153	226	74	149	223
Portugal	41	68	109	44	61	105	44	64	108
Poland	32	88	120	29	92	121	30	85	115
Switzerland	0	11	11	0	0	0	0	0	0
Latin America	217	93	310	205	79	284	199	75	274
Chile	91	52	143	89	49	138	85	52	137
Colombia	61	34	95	64	27	91	82	20	102
Peru	43	4	47	35	1	36	22	1	23
Ecuador	20	3	23	17	2	19	10	2	12
Panama	2	0	2	0	0	0	0	0	0
Master Franchises	0	164	164	0	153	153	0	137	137
Guatemala	0	88	88	0	83	83	0	83	83
El Salvador	0	49	49	0	47	47	0	49	49
Russia	0	13	13	0	14	14	0	2	2
Angola	0	5	5	0	5	5	0	1	1
Bolivia	0	5	5	0	4	4	0	2	2
Saudi Arabia	0	4	4	0	0	0	0	0	0
Others	0	0	0	0	4	4	0	4	4
Total Group	454	935	1,389	461	850	1,311	464	804	1,268

Chain sales breakdown

€m (unless otherwise stated)	FY 2016	FY 2015	% change (2015-2016)	Q4 2016	Q4 2015	% change (2015-2016)
Total chain sales	517.0	491.8	5.1%	138.5	127.6	8.5%
Own store sales	196.0	200.2	-2.1%	51.6	50.9	1.5%
Franchised and master franchised stores	321.0	291.6	10.1%	86.8	76.8	13.1%
Core Geographies chain sales	486.9	459.8	5.9%	130.9	118.9	10.1%
Constant currency growth (%)			6.9%			9.3%
LfL sales growth (%)			4.9%			7.3%
Horizontal (%)			2.0%			2.1%
Exchange rate adjustment (%)			-1.0%			0.7%
Spain chain sales	335.2	318.5	5.3%	89.1	82.4	8.1%
LfL sales growth (%)			3.6%			6.1%
Horizontal (%)			1.7%			1.9%
International chain sales	181.8	173.3	4.9%	49.4	45.2	9.2%
Core International chain sales	151.7	141.3	7.4%	41.8	36.5	14.5%
Constant currency growth (%)			10.8%			12.0%
LfL sales growth (%)			7.9%			9.7%
Horizontal (%)			2.9%			2.3%
Exchange rate adjustment (%)			(3.4%)			2.4%

Reported chain sales bridge

Impact of FX and negative contribution of Master Franchises in International sales



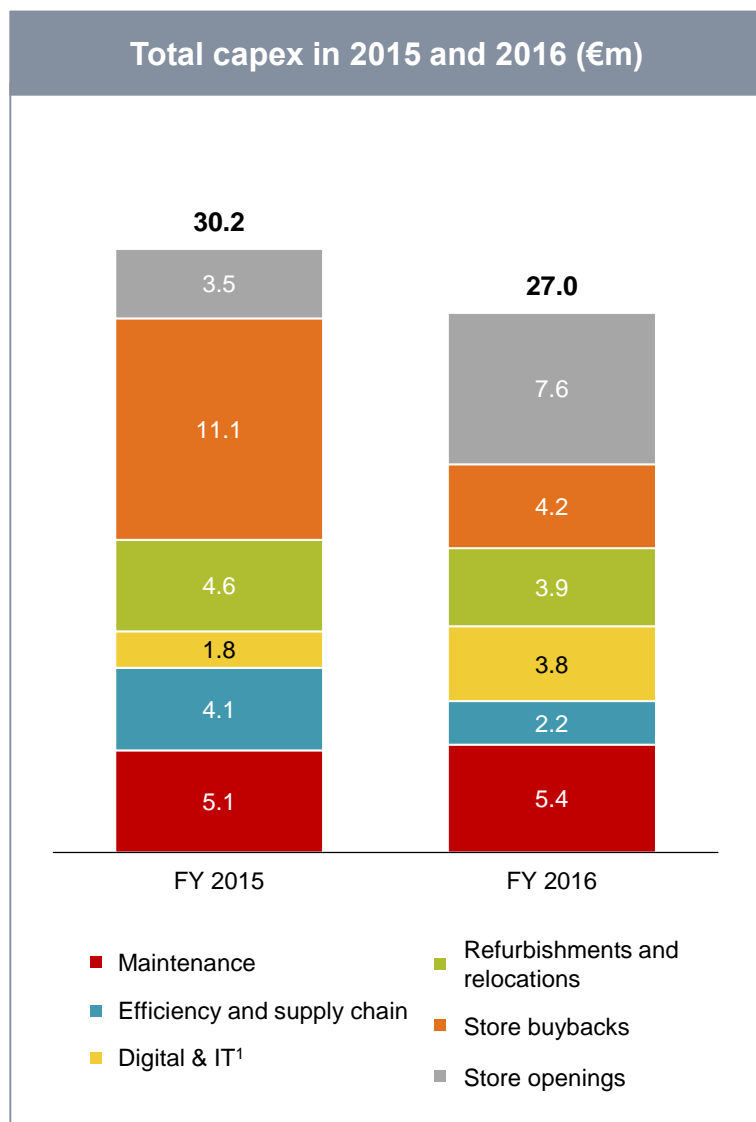
Delivery vs non delivery in 2016

Delivery vs Non-delivery sales in Spain				
	H1 2016		H2 2016	
Delivery sales	Growth y-o-y (%) 9.5%	% of total sales 59%	Growth y-o-y (%) 9.5%	% of total sales 58%
Non-delivery sales	Growth y-o-y (%) -0.7%	% of total sales 41%	Growth y-o-y (%) -0.1%	% of total sales 42%
Total chain sales growth y-o-y	Q1 2016 6.4%	Q2 2016 3.7%	Q3 2016 2.6%	Q4 2016 8.1%

Balance sheet

€ '000 (unless otherwise stated)	FY 2016	FY 2015		FY 2016	FY 2015
Non current assets	826,379	792,404	Equity	607,059	354,342
Property, plant and equipment	46,042	40,158	Non-current liabilities	285,024	472,988
Goodwill	387,322	382,694	Borrowings	195,611	286,176
Other intangible assets	330,223	333,982	Shareholders loans	0	96,704
Other non-current assets	62,792	35,570	Other non-current liabilities	89,413	90,108
Current assets	119,637	93,956	Current liabilities	54,153	59,075
Subtotal current assets	119,637	93,956	Trade and other payables	50,218	48,696
Inventories	11,623	11,392	Other current liabilities	3,935	10,379
Receivables and other current assets	44,042	42,618			
Cash and cash equivalents	63,972	39,946			
Assets classified as discontinued operations	305	130	Liabilities classified as discontinued operations	85	85
Total assets	946,321	886,490	Total equity and liabilities	946,321	886,490

Capital expenditure



Note:
1. Including IT-related maintenance capex

Maintenance

€5.4m in FY 2016

- Maintenance of owned stores, production facilities and headquarters

Efficiency and supply chain

€2.2m in FY 2016

- Investments in supply chain and efficiency plans

Digital and IT

€3.8m in FY 2016

- Investing in maintaining and upgrading the digital platform

Store refurbishments and relocations

€3.9m in FY 2016

- Store network renewal plan and selective relocations to adapt to changes in urban landscape

Store buybacks

€4.2m in FY 2016

- Strategic buybacks of franchised stores to optimize network

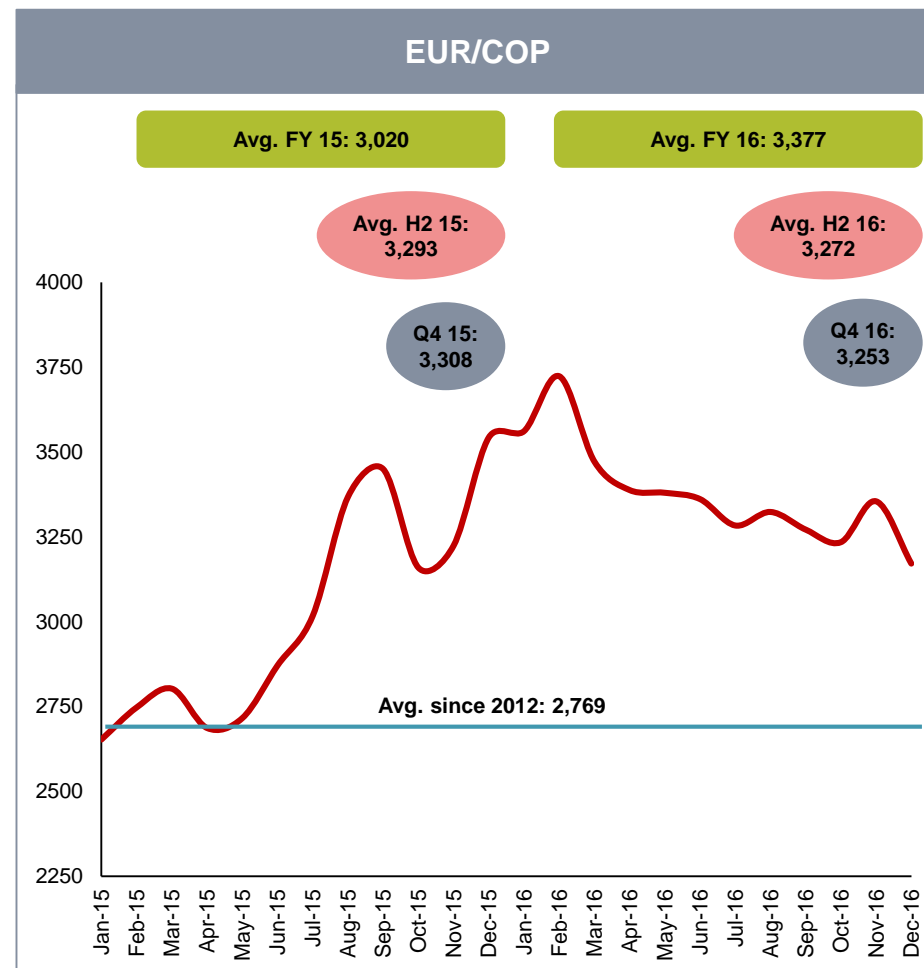
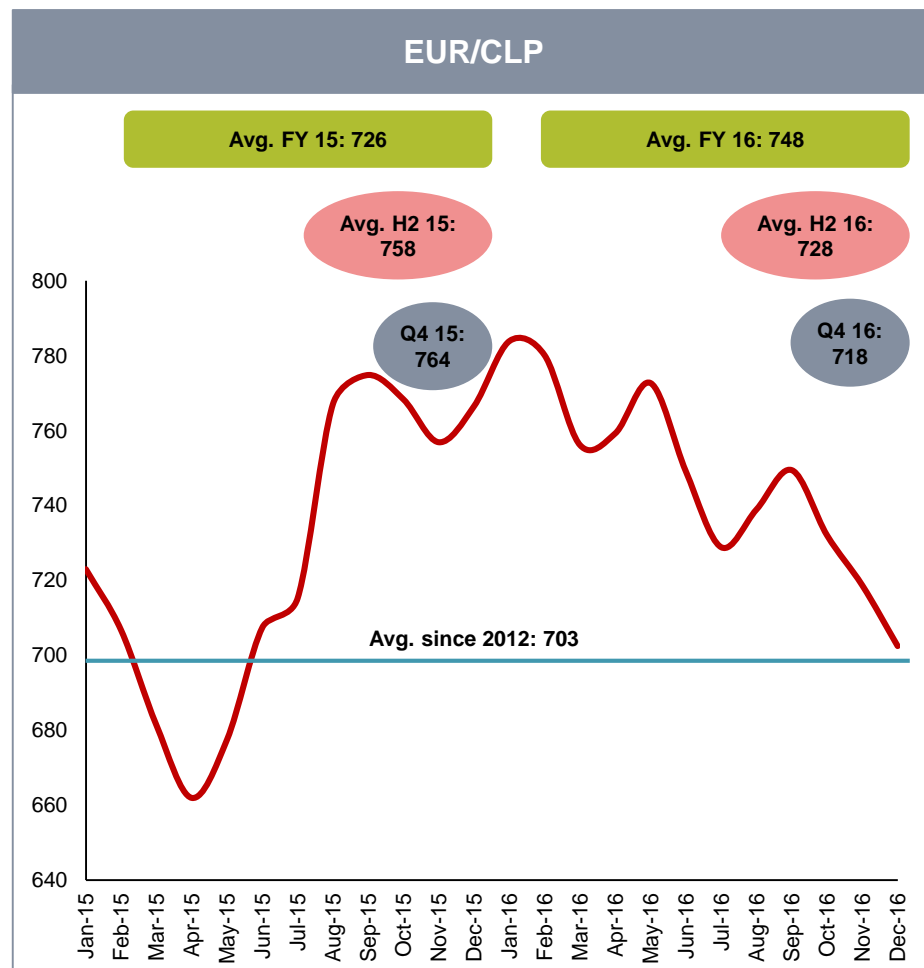
Store openings

€7.6m in FY 2016

- Majority of owned store openings in LatAm

Translational FX impact in context

Latam reported financials in EUR impacted by steep decline in local currencies yoy – Impact more pronounced in H1, with current exchange rates in line with H2 2015

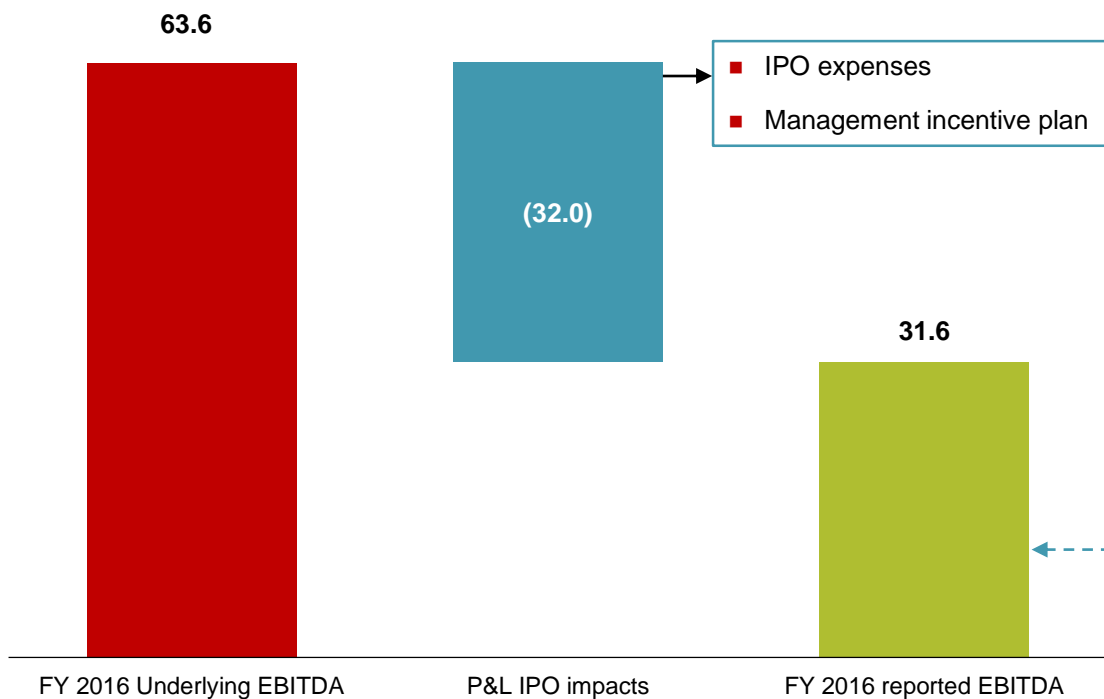


Source: Bank of Spain

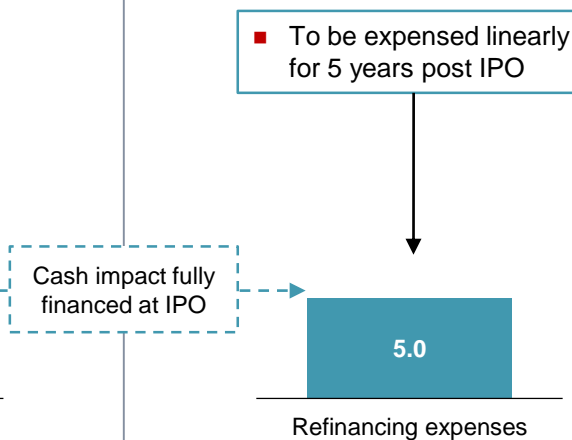
Impact of IPO charges

IPO costs (€m)

FY 2016 EBITDA bridge



IPO refinancing charges



Glossary

- **Chain sales:** Chain sales are own store sales plus franchised and master franchised store sales as reported to us by the franchisees and master franchisees
- **LfL chain sales growth:** LfL chain sales growth is chain sales growth after adjustment for the effects of changes in scope and the effects of changes in the euro exchange rate as explained below
 - Scope adjustment. If a store has been open for the full month, we consider that an “operating month” for the store in question; if not, that month is not an “operating month” for that store. LfL chain sales growth takes into account only variation in a store’s sales for a given month if that month was an “operating month” for the store in both of the periods being compared. The scope adjustment is the percentage variation between two periods resulting from dividing (i) the variation between the chain sales excluded in each of such periods (“excluded chain sales”) because they were obtained in operating months that were not operating months in the comparable period, by (ii) the prior period’s chain sales as adjusted to deduct the excluded chain sales of such period (the “adjusted chain sales”). In this way, we can see the actual changes in chain sales between operating stores, removing the impact of changes between the periods that are due to store openings and closures; and
 - Euro exchange rate adjustment. We calculate LfL chain sales growth on a constant currency basis in order to remove the impact of changes between the euro and the currencies in certain countries where the Group operates. To make this adjustment, we apply the monthly average euro exchange rate of the operating month in the most recent period to the comparable operating month of the prior period
- **EBITDA:** EBITDA is operating profit plus asset depreciation and amortization
- **Underlying EBITDA:** Underlying EBITDA is EBITDA excluding the operating costs associated with our refinancing operation in FY2014 and IPO related costs in FY2016
- **Digital delivery chain sales:** Digital delivery chain sales are the delivery chain sales made through digital channels (PC, web responsive and Telepizza application), expressed in percentage terms. Digital delivery chain sales (both own and franchised) are recorded automatically in the Company’s SAGA store information system when the online order is placed by the customer