



Q1 2017 Results Announcement

11 May 2017

Telepizza: Chain sales growth of 7.5% in Q1 2017, driven by International

- Telepizza more than triples its net result in the first three months of 2017
- Core International delivers a record 20% growth in Q1
- 32 net new stores in the quarter, surpassing the 1,400 stores mark
- Expanded store footprint into Czech Republic, France and the UK

Telepizza Group, S.A. (“Telepizza” or “the Group”), the leading pizza delivery in Spain, today announces the results for the first quarter of 2017.

Financial Highlights

€m (unless otherwise stated)	Q1 2017	Q1 2016	% change
Group chain sales ¹	137.7	128.0	7.5%
Core ² Geographies chain sales	130.3	120.3	8.3%
Core Geographies constant currency sales growth (%)			6.5%
Core Geographies LFL ³ sales growth (%)			3.4%
Spain chain sales	88.8	85.8	3.5%
LfL sales growth (%)			1.4%
International chain sales	48.9	42.2	15.7%
Core International chain sales	41.5	34.5	20.2%
Core International constant currency sales growth (%)			13.6%
Core International LFL sales growth (%)			8.2%
Revenues	89.1	82.7	7.8%
Constant currency revenue growth (%)			5.7%
Results for the period	8.8	2.6	237.2%

¹ Chain sales are own store sales plus franchised and master franchised store sales as reported to us by the franchisees and master franchisees.

² Excluding Master Franchised sales.

³ LFL growth is chain sales growth after adjustment for the effects of changes in store openings and closures and the effects of changes in the euro exchange rate.



In the first quarter 2017 (“Q1” or the “Period”), Telepizza delivered solid growth, with Group chain sales up 7.5%, supported by a record performance in Core International geographies (+20%, including positive FX impact) and the progress in our store opening programme (+32 net new stores in the quarter).

As indicated in the full year results, Spain faced a meaningful calendar headwind (of -2.8%) in Q1, in spite of which it delivered positive LFL growth in the quarter, with total growth of 3.5% for the Period, reflecting our continued growth in digital and the positive effects of our commercial actions and refurbishments. Spain LFL growth YTD until the end of April is already close to 4%.

Core International (excluding Master Franchises) delivered a 20% chain sales growth (13.6% growth in constant currency), including an 8.2% LFL growth, 5.4% of new space growth and a 6.6% favourable FX tailwind. The performance was strong across all geographies. During the Period, we added 10 new stores in the Czech Republic, and opened our first stores in the South of France and the UK.

In the Period, there was a significant increase in Net Profit, to €8.8 million (vs €2.6 million in Q1 2016), driven by a reduction in financial costs year-on-year, which more than offset the gross margin reduction in Spain, as a result of the increases in raw material prices and the impact of our commercial policy in non-delivery.

Commenting of the results, Pablo Juantegui, Chairman and Chief Executive Officer of Telepizza, stated *“We are pleased with our performance in Q1, which consolidates our position in Spain and provides us a material boost in our international development. We remain on track to achieve our growth targets for this year.”*

Telepizza Group:

We are the largest non-U.S.-based pizza delivery company in the world by number of stores. Headquartered in Madrid, Spain, Telepizza operates in more than 20 countries through a network of own stores, franchisees and master franchisees, with 1,421 stores globally, including 478 own stores (34%) and 943 franchised and master franchised stores (66%) as of 31 March, 2017.

Including our U.S.-based competitors, we are the fourth largest global player in pizza delivery in terms of number of stores. We are the market leader in our core markets by number of stores (number one in Spain, Portugal, Chile and Colombia and number two in Poland).

The total sales within our network, including own stores, franchisees and master franchisees, are recorded as chain sales, which amounted to €527 million in the twelve months ended 31 March 2017.

Telepizza listed on the Barcelona, Bilbao, Madrid and Valencia stock exchanges with its shares starting trading on 27 April 2016. The total number of shares is 100,720,679.



ISIN: ES0105128005 / Symbol: TPZ

Webcast

There will be a webcast and conference call presentation on these results today at 18.00 PM Central European Summer Time (17:00 GMT). To access the webcast, use the link:

<http://event.onlineseminarsolutions.com/r.htm?e=1421270&s=1&k=FF8A2A235420DD0F1B8F510496FC2672>

To listen by telephone, dial one of the numbers below:

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Financial performance

€m (unless otherwise stated)	Q1 2017	Q1 2016	% change
Total revenues	89.1	82.7	7.8%
EBITDA	17.9	18.9	-5.1%
Depreciation (excl. PPA amortisation)	-2.9	-3.3	-11.4%
EBITA	15.0	15.6	-3.7%
PPA amortisation	-1.5	-1.5	0.0%
Net financial expense	-1.4	-9.4	-84.7%
Other ¹	-0.3	-0.1	n.m
Income tax	-3.1	-2.1	44.1%
Results for the period	8.8	2.6	237.2%

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