

Q1 2018 Results presentation



15 May, 2018

telepizza

the secrets in the dough



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Q1 2018 highlights



1

15.2% Group system sales growth

2

4.3% Spain system sales growth, 2.1% LFL

3

39.7% Core International system sales growth, underpinned by the contribution of Apache Pizza

3

1.0% Group EBITDA growth, in line with our expectations, FY2018 guidance unaltered

Robust system sales growth, driven by International

Spain growth on track; Apache generating strong horizontal expansion in Core International

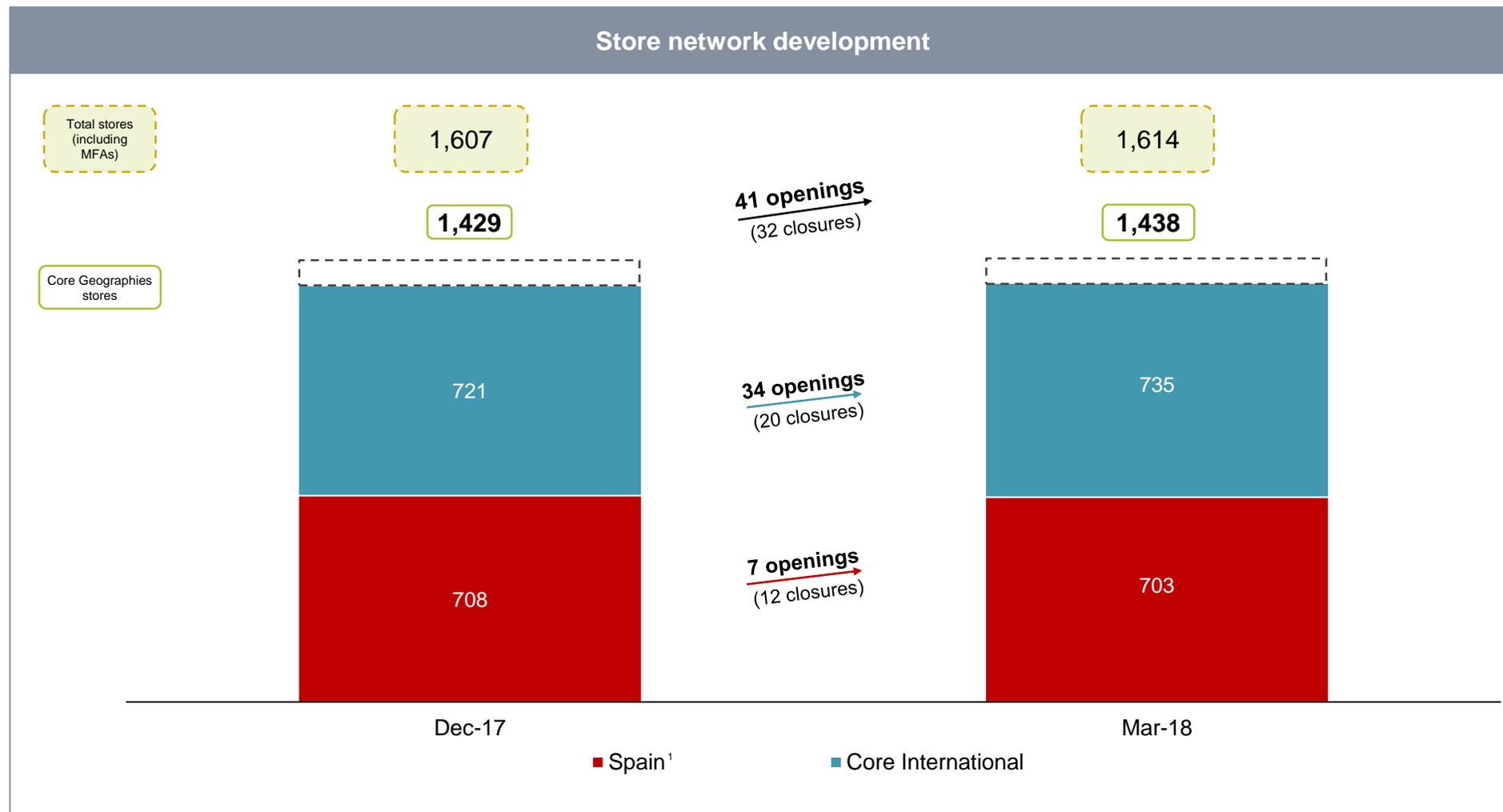
€m (unless otherwise stated)	Q1 2018	Q1 2017	% change
Group system sales	158.6	137.7	15.2%
Core Geographies ¹ system sales	150.6	130.3	15.6%
Core Geographies¹ constant currency sales growth (%)			17.4%
Core Geographies ¹ LFL sales growth (%)			<u>3.6%</u>
Spain system sales	92.6	88.8	4.3%
LfL sales growth (%)			<u>2.1%</u>
International system sales	65.9	48.9	35.0%
Core International ¹ system sales	58.0	41.5	39.7%
Core International¹ constant currency sales growth (%)			45.1%
Core International ¹ LFL sales growth (%)			<u>6.9%</u>
Revenues	90.1	89.1	1.1%
Constant currency revenue growth (%)			2.6%
Underlying EBITDA²	18.1	17.9	1.0%

Notes:

1. Excluding Master Franchises
2. Q1 2018 adjusted for €0.9 million of corporate deal extraordinary costs

Consolidating our store network

Consolidating our store network and increasing efficiency to drive future growth



Note:

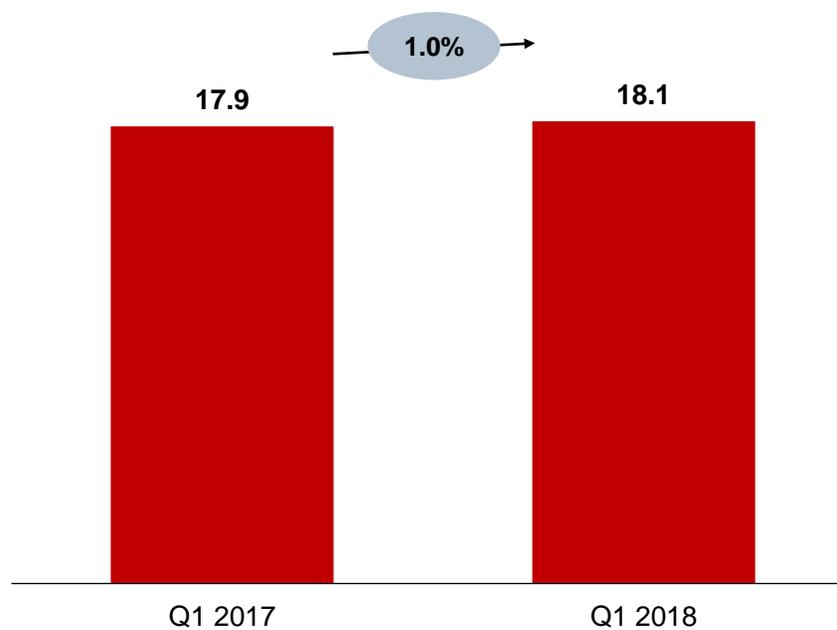
1. Including stores in Morocco and France

Underlying EBITDA

1.0% Underlying EBITDA growth in Q1, full year outlook unaltered

Underlying EBITDA evolution (€m)

Q1 2017 vs. Q1 2018



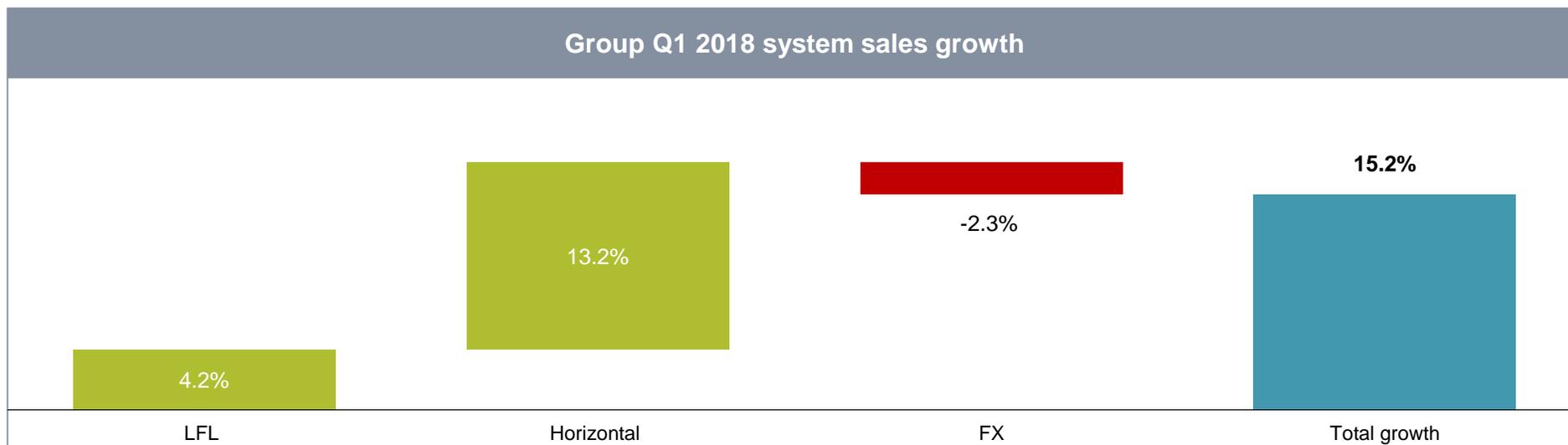
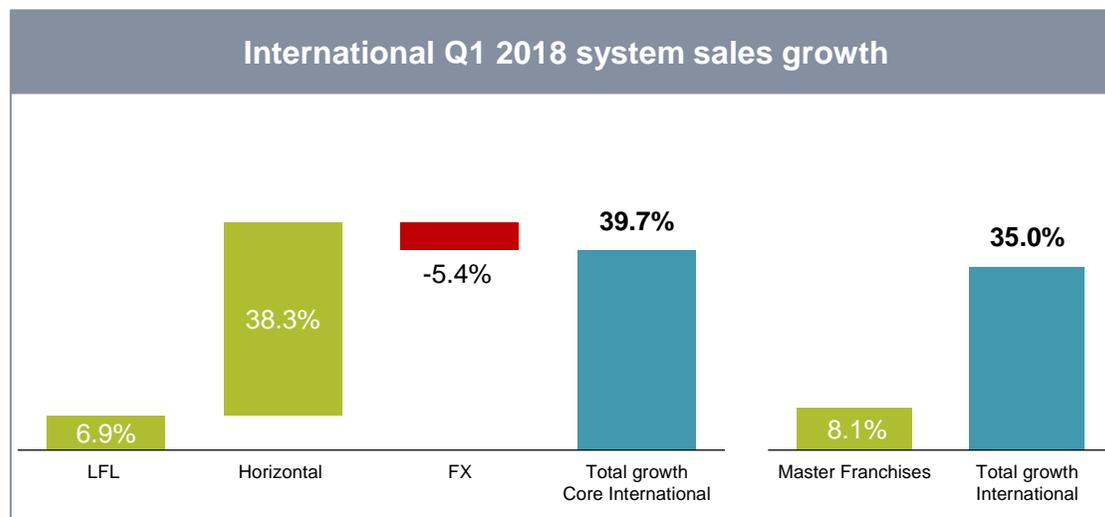
Appendix



Store Count

Number of Stores	Q1 2018			2017			2016		
	Own stores	Franchised stores	Total stores	Own stores	Franchised stores	Total stores	Own stores	Franchised stores	Total stores
Core Geographies	423	1,015	1,438	441	988	1,429	454	771	1,225
Spain¹	136	567	703	137	571	708	164	511	675
Core International	287	448	735	304	417	721	290	260	550
Rest of Europe	90	316	406	91	296	387	73	167	240
Ireland	0	159	159	0	133	133	0	0	0
Portugal	47	70	117	43	73	116	41	68	109
Poland	35	78	113	38	81	119	32	88	120
Switzerland	0	9	9	0	9	9	0	11	11
Czech Republic	8	0	8	10	0	10	0	0	0
Latin America	197	132	329	213	121	334	217	93	310
Chile	90	73	163	92	68	160	91	52	143
Colombia	37	49	86	45	45	90	61	34	95
Peru	43	6	49	45	4	49	43	4	47
Ecuador	20	4	24	23	4	27	20	3	23
Paraguay	6	0	6	6	0	6	0	0	0
Panama	1	0	1	2	0	2	2	0	2
Master Franchises	0	176	176	0	178	178	0	164	164
Guatemala	0	93	93	0	93	93	0	88	88
El Salvador	0	48	48	0	48	48	0	49	49
Russia	0	14	14	0	14	14	0	13	13
Iran	0	7	7	0	7	7	0	0	0
Bolivia	0	7	7	0	7	7	0	5	5
Angola	0	5	5	0	5	5	0	5	5
UK	0	2	2	0	2	2	0	0	0
Others	0	0	0	0	2	2	0	4	4
Total Group	423	1,191	1,614	441	1,166	1,607	454	935	1,389

System sales bridge



Summary income statement

€m (unless otherwise stated)	Q1 2018	Q1 2017	% change
Total revenues	90.1	89.1	1.1%
Underlying EBITDA	18.1	17.9	1.0%
<i>% of revenues</i>	<i>20.1%</i>	<i>20.1%</i>	<i>n.m.</i>
Corporate deal extraordinary costs	-0.9	-	n.m.
Reported EBITDA	17.2	17.9	-4.0%
Depreciation (excl. PPA amortisation)	-3.1	-2.9	6.3%
Underlying EBITA	15.0	15.0	0.0%
PPA amortisation	-1.1	-1.5	-26.2%
Net financial income / (expense)	-1.9	-1.8	7.6%
Exchange differences	0.2	0.3	-29.5%
Other ¹	-0.3	-0.3	n.m.
Income tax	-2.8	-3.1	-9.8%
Minority interest	-0.1	0.0	n.m.
Results for the period	8.2	8.8	-7.0%
Results for the period (excluding extraordinary items)	9.1	8.8	3.1%

Note:

1. Includes losses on sale of PP&E

Glossary

- **System sales:** System sales are own store sales plus franchised and master franchised store sales as reported to us by the franchisees and master franchisees
- **LfL system sales growth:** LfL system sales growth is system 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 system 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 system sales excluded in each of such periods (“excluded system sales”) because they were obtained in operating months that were not operating months in the comparable period, by (ii) the prior period’s system sales as adjusted to deduct the excluded system sales of such period (the “adjusted system sales”). In this way, we can see the actual changes in system 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 system 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 extraordinary impacts
- **Digital delivery system sales:** Digital delivery system sales are the delivery system sales made through digital channels (PC, web responsive and Telepizza application), expressed in percentage terms. Digital delivery system 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