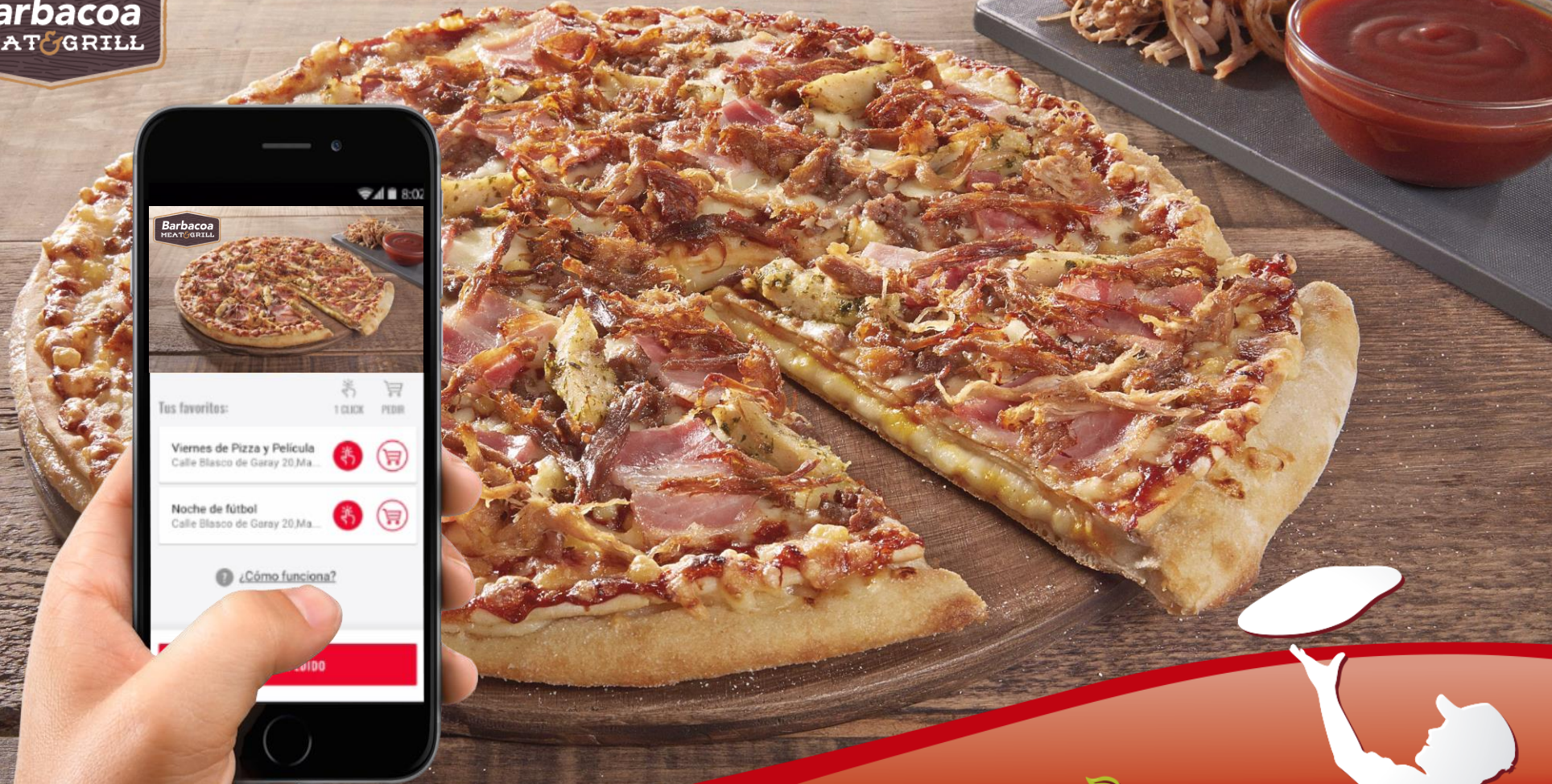


# Q3 2017 Results presentation



8 November, 2017

**telepizza**   
the secrets in the dough

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# Q3 2017 highlights

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1

Double digit Group chain sales growth in Q3 2017

2

Strong performance across segments: Spain +8.6%; Core International +14.5%<sup>1</sup>

3

+3% EBITDA growth in Q3 2017

4

59 net new stores and 186 more stores with new image as of 30th September 2017

Note:

1. In constant currency

# Double digit chain sales growth in Q3 2017

Solid growth across segments, positive EBITDA performance

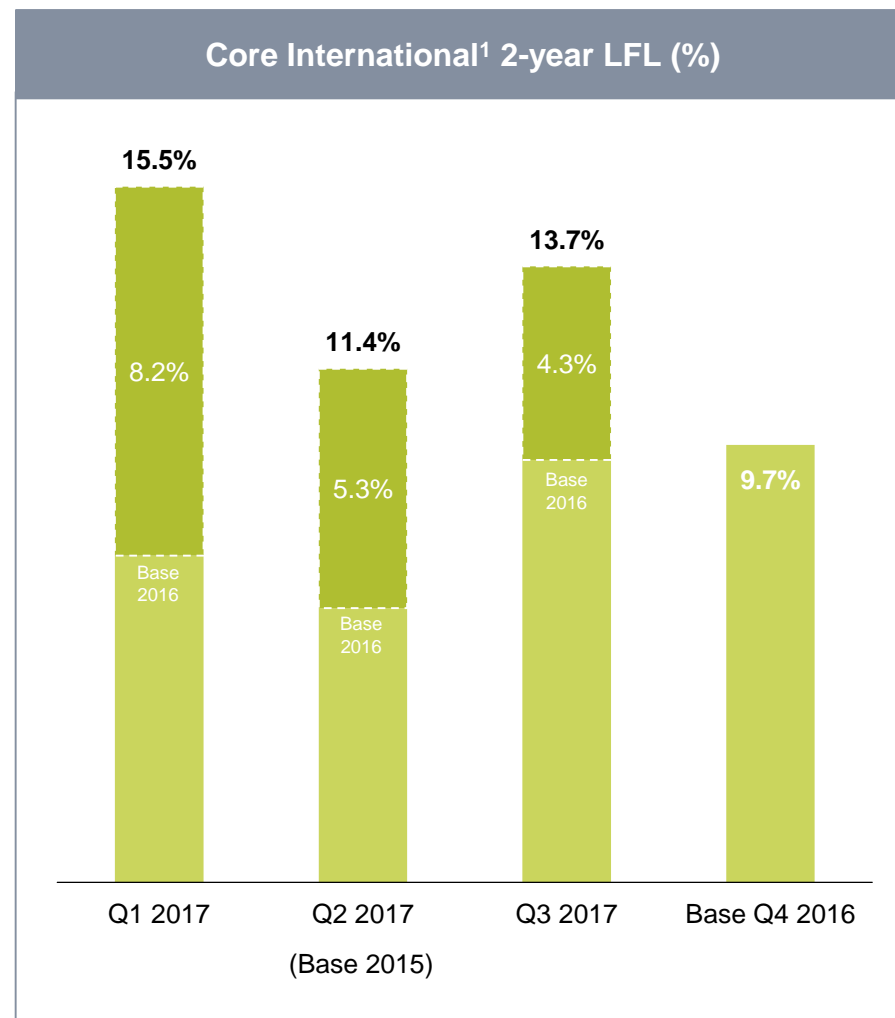
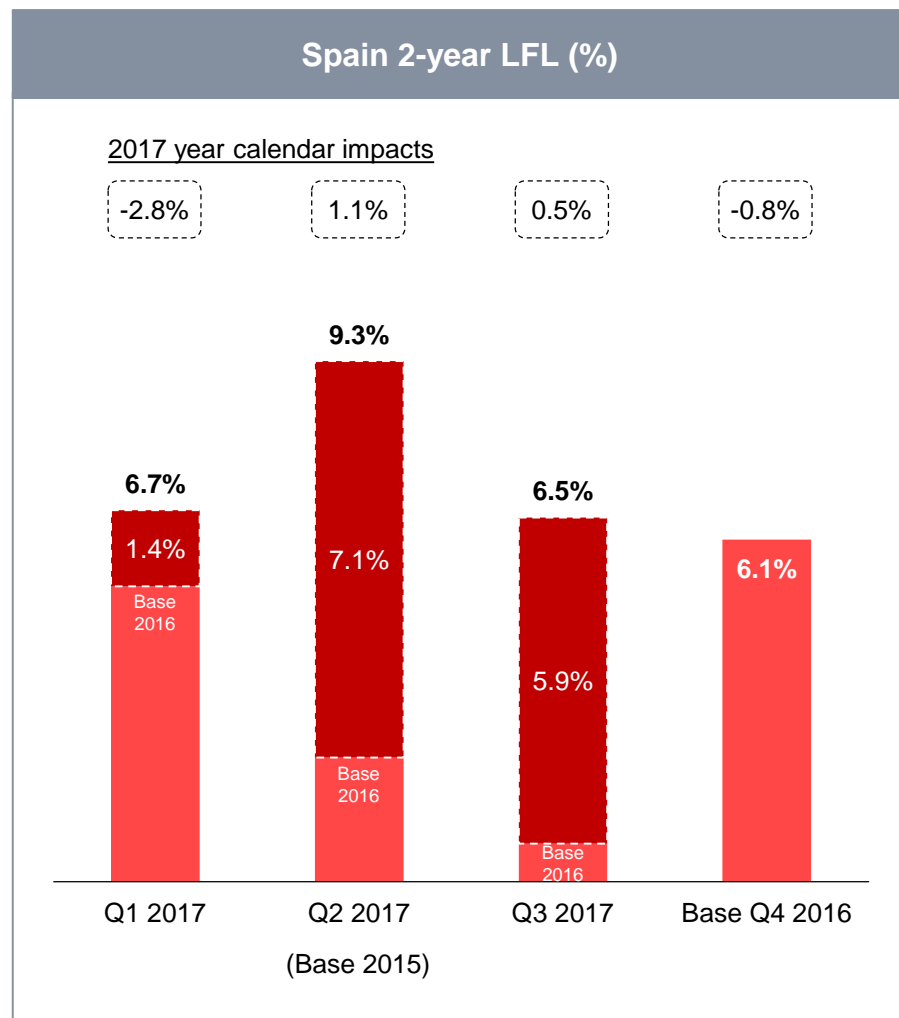
€m (unless otherwise stated)	Q3 2017	Q3 2016	% change	9M 2017	9M 2016	% change
Group chain sales	139.0	126.3	10.1%	415.5	378.5	9.8%
Core Geographies <sup>1</sup> chain sales	131.0	119.0	10.1%	392.1	356.0	10.1%
<b>Core Geographies<sup>1</sup> constant currency sales growth (%)</b>			<b>10.5%</b>			<b>9.4%</b>
Core Geographies <sup>1</sup> LFL sales growth (%)			<u>5.3%</u>			<u>5.1%</u>
<b>Spain chain sales</b>	<b>87.0</b>	<b>80.1</b>	<b>8.6%</b>	<b>263.4</b>	<b>246.1</b>	<b>7.0%</b>
LfL sales growth (%)			<u>5.9%</u>			<u>4.7%</u>
International chain sales	52.0	46.2	12.7%	152.1	132.4	14.9%
Core International <sup>1</sup> chain sales	44.0	39.0	13.0%	128.7	109.9	17.1%
<b>Core International<sup>1</sup> constant currency sales growth (%)</b>			<b>14.5%</b>			<b>14.4%</b>
Core International <sup>1</sup> LFL sales growth (%)			<u>4.3%</u>			<u>5.9%</u>
Revenue	87.8	83.1	5.7%	267.8	248.7	7.7%
<b>Constant currency revenue growth (%)</b>			<b>6.3%</b>			<b>6.8%</b>
<b>Group Underlying EBITDA<sup>2</sup></b>	<b>15.6</b>	<b>15.1</b>	<b>3.1%</b>	<b>50.3</b>	<b>51.1</b>	<b>-1.6%</b>

**Notes:**

1. Excluding Master Franchises
2. Adjusted for €32 million of IPO related costs in 2016

# Q3 performance: 2-year view

Spain Q3 LFL favoured by low PY comparable and calendar. International facing higher PY comparables in H2 2017



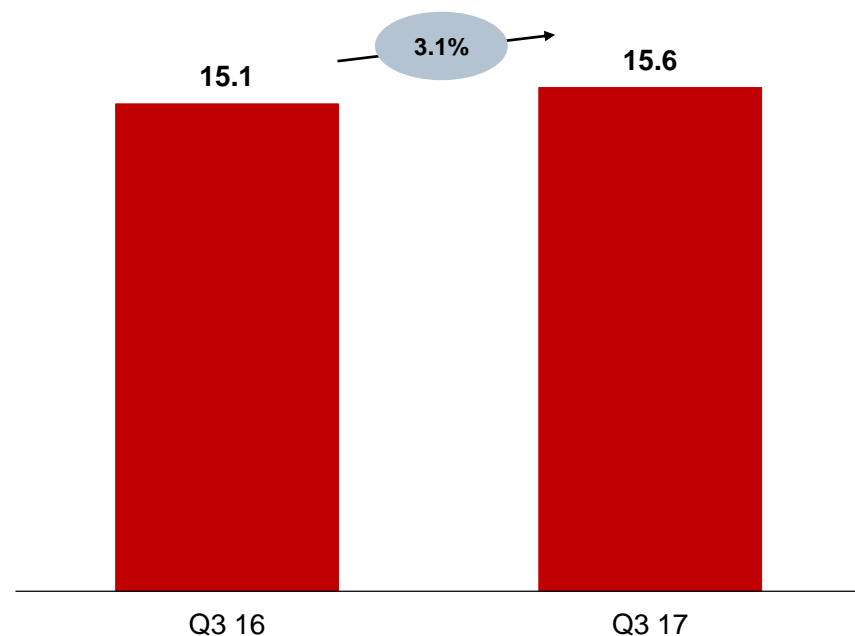
Note:  
1. Excluding Master Franchises

# Underlying EBITDA

LFL performance more than offsetting margin contraction, to drive 3% EBITDA growth in Q3

## EBITDA evolution (€m)

### Q3 2016 vs. Q3 2017

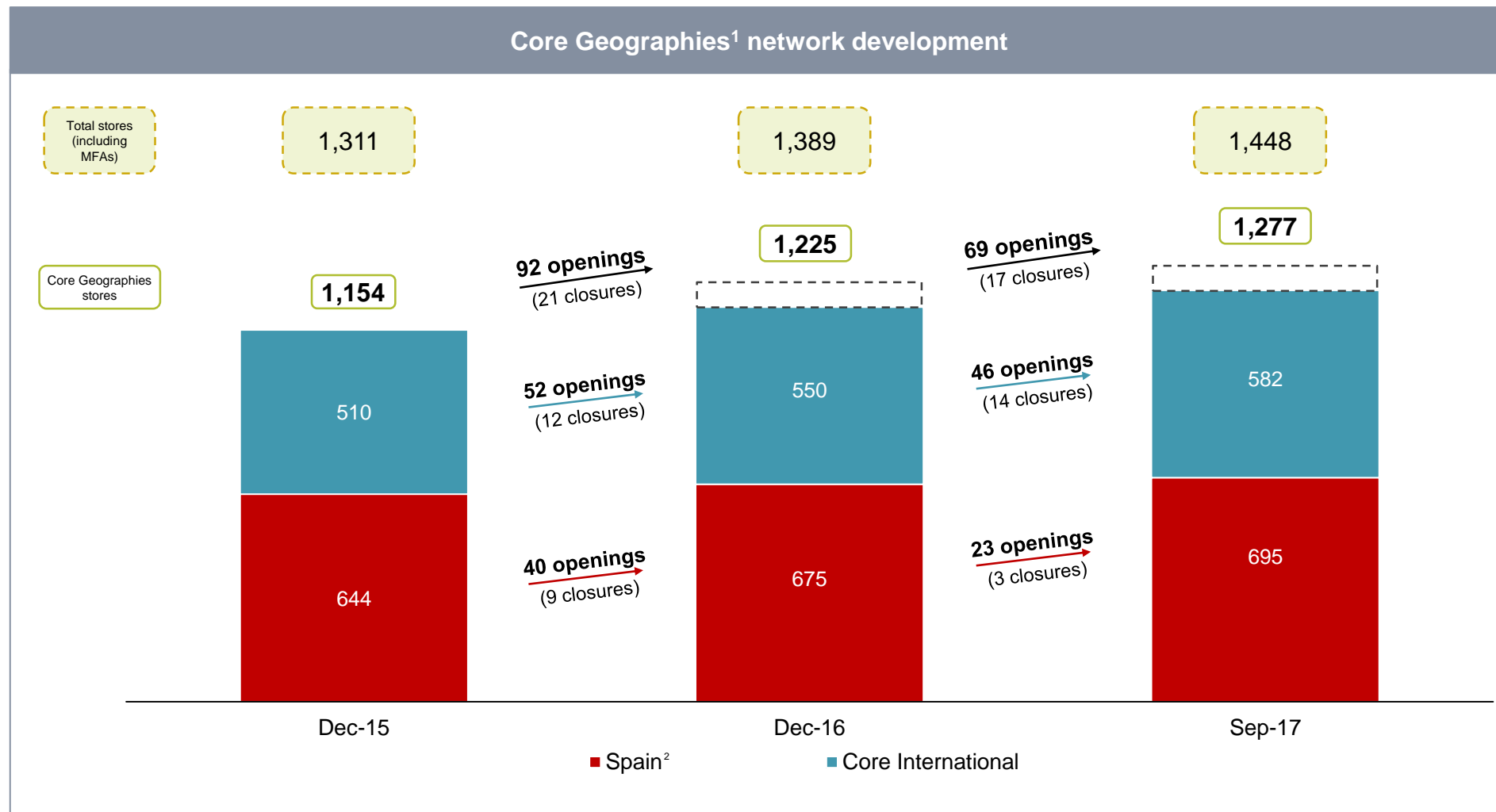


## Key EBITDA drivers in Q3 2017

- LFL growth in Spain and International
- Gross margin contraction in Spain, driven by:
  - Commercial policy in non-delivery
  - Raw materials price increase
- Incremental opex to drive future growth

# Unit expansion

59 net new stores in 9M 2017, of which 52 in Core Geographies



Notes:  
 1. Excluding Master Franchises.  
 2. Includes stores in Morocco and France

# FY 2017 outlook

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**Spain total chain sales growth: 5% to 6%** *(initially 4% to 6%)*

**Core International total chain sales growth: 12% to 14%** *(initially 9% to 11%)*

**Underlying EBITDA: €65 million to €67 million** *(initially low to mid-single digit growth)*

**Net new stores in Core Geographies: 70 to 80** *(initially 60 to 80)*

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

**Cash EPS(A)<sup>1</sup>: €0.32 to €0.35 per share** *(initially €0.30 to €0.35)*

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

**Note:**

1. Based on cash taxes and before PPA amortization charges



Q&A



# Appendix



# Store Count

Number of Stores	Q3 2017			2016			2015		
	Own stores	Franchised stores	Total stores	Own stores	Franchised stores	Total stores	Own stores	Franchised stores	Total stores
<b>Core Geographies</b>	<b>461</b>	<b>816</b>	<b>1,277</b>	<b>454</b>	<b>771</b>	<b>1,225</b>	<b>461</b>	<b>693</b>	<b>1,154</b>
<b>Spain<sup>1</sup></b>	<b>155</b>	<b>540</b>	<b>695</b>	<b>164</b>	<b>511</b>	<b>675</b>	<b>183</b>	<b>461</b>	<b>644</b>
<b>Core International</b>	<b>306</b>	<b>276</b>	<b>582</b>	<b>290</b>	<b>260</b>	<b>550</b>	<b>278</b>	<b>232</b>	<b>510</b>
<b>Rest of Europe</b>	<b>90</b>	<b>165</b>	<b>255</b>	<b>73</b>	<b>167</b>	<b>240</b>	<b>73</b>	<b>153</b>	<b>226</b>
Portugal	44	70	114	41	68	109	44	61	105
Poland	37	84	121	32	88	120	29	92	121
Switzerland	0	10	10	0	11	11	0	0	0
Czech Republic	9	1	10	0	0	0	0	0	0
<b>Latin America</b>	<b>216</b>	<b>111</b>	<b>327</b>	<b>217</b>	<b>93</b>	<b>310</b>	<b>205</b>	<b>79</b>	<b>284</b>
Chile	92	61	153	91	52	143	89	49	138
Colombia	50	43	93	61	34	95	64	27	91
Peru	44	4	48	43	4	47	35	1	36
Ecuador	22	3	25	20	3	23	17	2	19
Paraguay	6	0	6	2	0	2	0	0	0
Panama	2	0	2	0	0	0	0	0	0
<b>Master Franchises</b>	<b>0</b>	<b>171</b>	<b>171</b>	<b>0</b>	<b>164</b>	<b>164</b>	<b>0</b>	<b>157</b>	<b>157</b>
Guatemala	0	90	90	0	88	88	0	83	83
El Salvador	0	48	48	0	49	49	0	47	47
Russia	0	15	15	0	13	13	0	14	14
Bolivia	0	7	7	0	5	5	0	4	4
Angola	0	5	5	0	5	5	0	5	5
Iran	0	3	3	0	0	0	0	0	0
Saudi Arabia	0	2	2	0	4	4	0	0	0
UK	0	1	1	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	4	4
<b>Total Group</b>	<b>461</b>	<b>987</b>	<b>1,448</b>	<b>454</b>	<b>935</b>	<b>1,389</b>	<b>461</b>	<b>850</b>	<b>1,311</b>

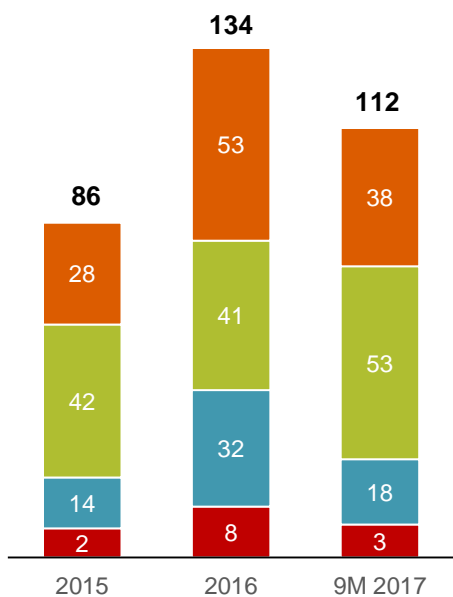
**Notes:**

1. Includes stores in Morocco and France.

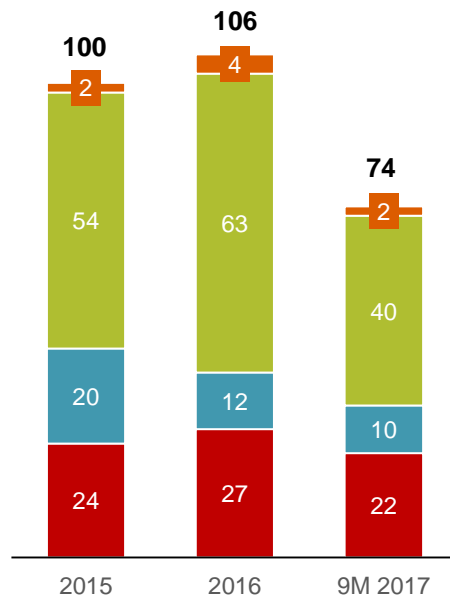
# Refurbishments

## New image stores

### Spain



### Core International



■ Openings with new image (owned)    
 ■ Openings with new image (franchised)  
■ Owned stores refurbished and relocated    
 ■ Franchised stores refurbished and relocated

## Stores with new image<sup>1</sup>

	Own stores	Franchised stores	Total
Spain	Stores with new image		
	149	183	332
	% of stores with new image over total		
Core International	Stores with new image		
	230	48	278
	% of stores with new image over total		
Core Geographies	Stores with new image		
	379	231	610
	% of stores with new image over total		
	96%	34%	48%
	75%	17%	50%
	82%	28%	48%

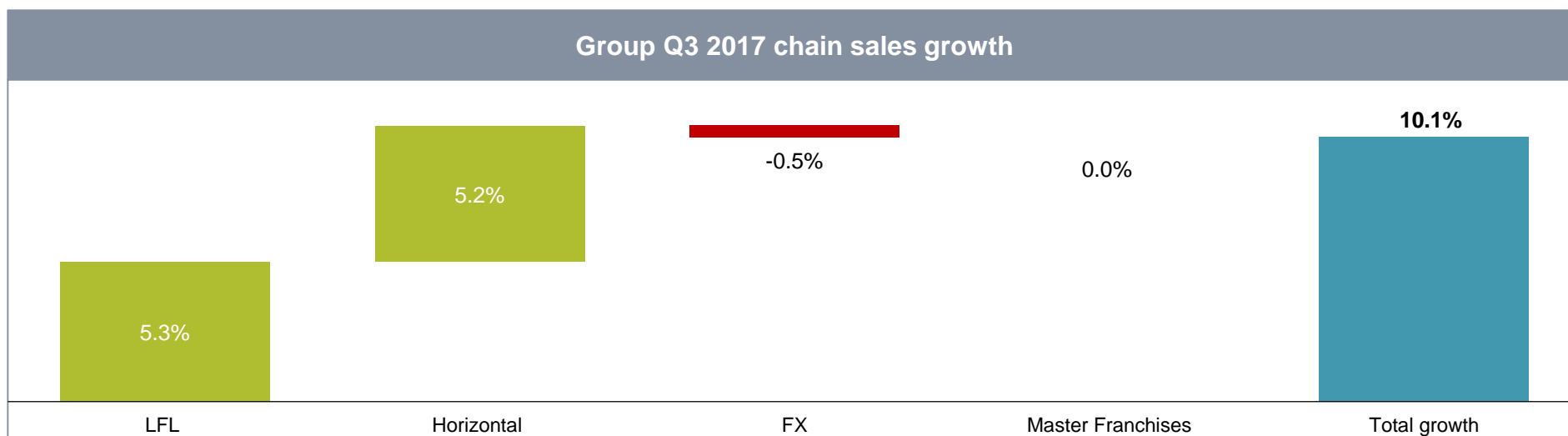
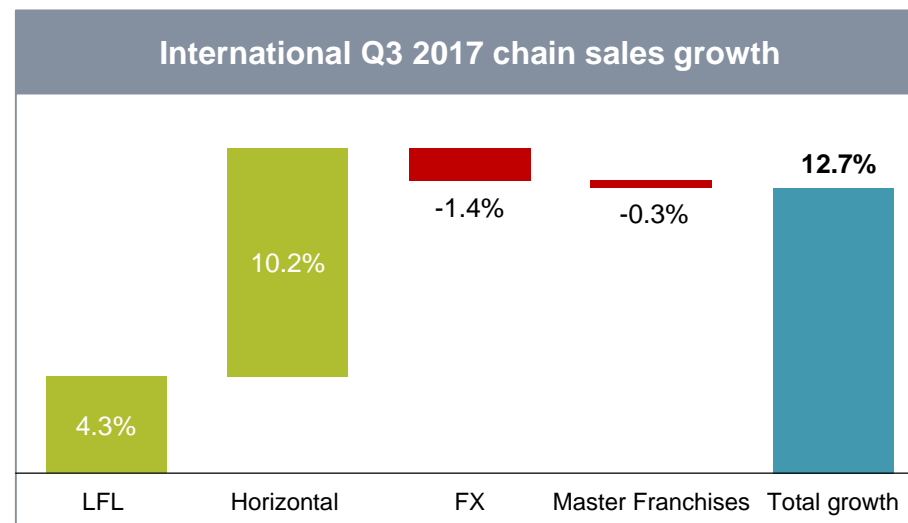
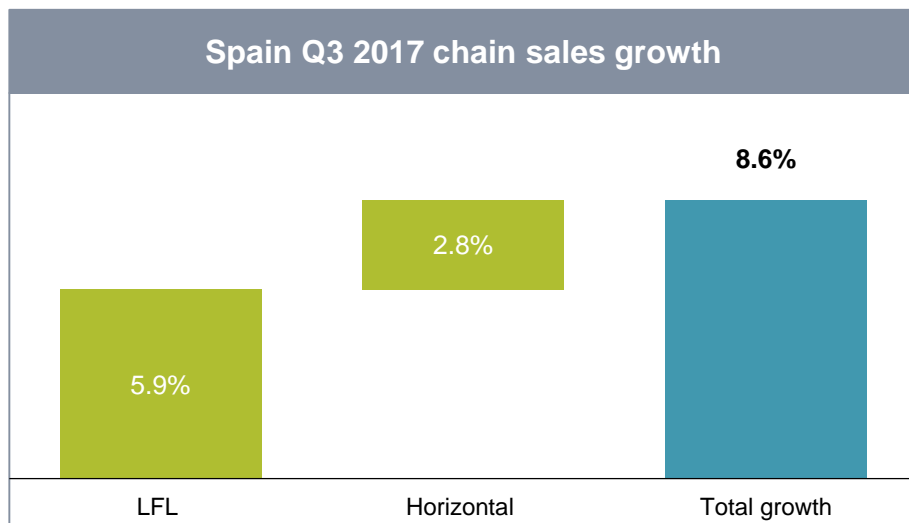
**Notes:**

1. New image includes refurbished, relocated and new stores opened with the new image during 2015, 2016 and 2017

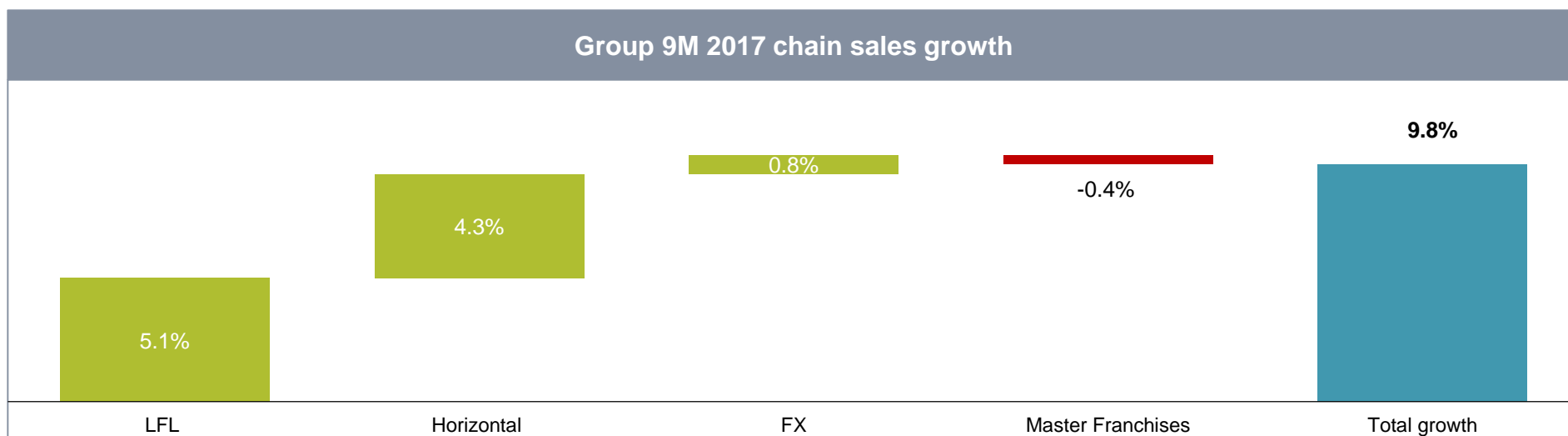
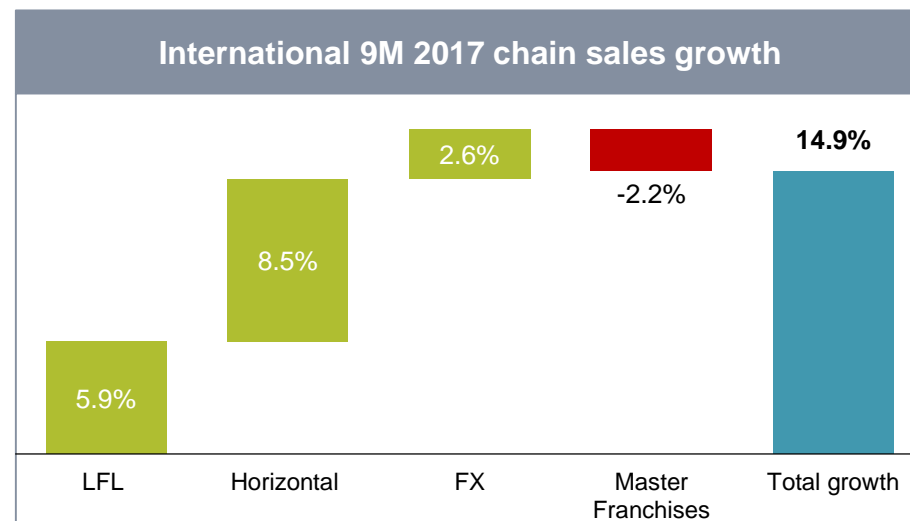
# Chain sales breakdown

€m (unless otherwise stated)	Q3 2017	Q3 2016	% change	9M 2017	9M 2016	% change
<b>Total chain sales</b>	<b>139.0</b>	<b>126.3</b>	<b>10.1%</b>	<b>415.5</b>	<b>378.5</b>	<b>9.8%</b>
<i>Own store sales</i>	46.9	46.7	0.4%	146.9	144.3	1.8%
<i>Franchised and master franchised stores</i>	92.2	79.6	15.8%	268.7	234.2	14.7%
<b>Core Geographies chain sales</b>	<b>131.0</b>	<b>119.0</b>	<b>10.1%</b>	<b>392.1</b>	<b>356.0</b>	<b>10.1%</b>
<i>Constant currency growth (%)</i>			10.5%			9.4%
<i>LfL sales growth (%)</i>			5.3%			5.1%
<i>Horizontal (%)</i>			5.2%			4.3%
<i>Exchange rate adjustment (%)</i>			-0.5%			0.8%
<b>Spain chain sales</b>	<b>87.0</b>	<b>80.1</b>	<b>8.6%</b>	<b>263.4</b>	<b>246.1</b>	<b>7.0%</b>
<i>LfL sales growth (%)</i>			5.9%			4.7%
<i>Horizontal (%)</i>			2.8%			2.3%
<b>International chain sales</b>	<b>52.0</b>	<b>46.2</b>	<b>12.7%</b>	<b>152.1</b>	<b>132.4</b>	<b>14.9%</b>
<b>Core International chain sales</b>	<b>44.0</b>	<b>39.0</b>	<b>13.0%</b>	<b>128.7</b>	<b>109.9</b>	<b>17.1%</b>
<i>Constant currency growth (%)</i>			14.5%			14.4%
<i>LfL sales growth (%)</i>			4.3%			5.9%
<i>Horizontal (%)</i>			10.2%			8.5%
<i>Exchange rate adjustment (%)</i>			-1.4%			2.6%

# Reported chain sales bridge (Q3 2017)



# Reported chain sales bridge (9M 2017)



# Summary income statement

€m (unless otherwise stated)	Q3 2017	Q3 2016	% change	9M 2017	9M 2016	% change
<b>Total revenues</b>	<b>87.8</b>	<b>83.1</b>	<b>5.7%</b>	<b>267.8</b>	<b>248.7</b>	<b>7.7%</b>
<b>Underlying EBITDA</b>	<b>15.6</b>	<b>15.1</b>	<b>3.1%</b>	<b>50.3</b>	<b>51.1</b>	<b>-1.6%</b>
Depreciation (excl. PPA amortisation)	-3.1	-2.8	12.7%	-9.1	-8.7	5.0%
<b>EBITA</b>	<b>12.4</b>	<b>12.3</b>	<b>0.9%</b>	<b>41.2</b>	<b>42.4</b>	<b>-2.9%</b>
IPO costs	0.0	0.2	n.m.	0.0	-32.0	n.m.
PPA amortisation	-1.5	-1.5	0.0%	-4.4	-4.4	0.0%
Net financial expense	-2.3	-2.2	1.0%	-6.2	-19.1	-67.4%
Other <sup>1</sup>	-0.2	-0.1	n.m.	-0.6	-0.2	n.m.
Income tax	-2.5	-1.8	39.6%	-8.5	1.0	n.m.
Minority interest	0.1	0.0	n.m.	0.1	0.0	n.m.
<b>Results for the period</b>	<b>6.1</b>	<b>6.9</b>	<b>-11.3%</b>	<b>21.6</b>	<b>-12.4</b>	<b>n.m.</b>

**Note:**

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



# Glossary

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- **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