

Noida, May 14, 2015

Immediate release

## Financial Highlights

### Q4 FY15

Total Income at Rs. 5,421 million

EBITDA at Rs.701 million

Net Profit after tax at Rs. 315 million

### FY15

Total Income at Rs. 20,745 million

EBITDA at Rs. 2,628 million

Net Profit after tax at Rs. 1,233 million

*The Board of Directors recommended maiden dividend of 25% for the year ended March 31, 2015 (Rs 2.50 per equity share of Rs 10 face value). This would be subject to approval by the shareholders at the forthcoming annual general meeting.*

- Note:
1. Figures have been rounded off for the purpose of reporting.
  2. Financial discussion throughout this release is based on standalone reporting.
  3. The financials of Dunkin' Donuts have been included in the results & related financial discussion.

**Jubilant FoodWorks Limited (JFL)**, India's largest Food Service Company, reported its financial results for the quarter and year ended 31 March, 2015.

*Commenting on the performance for Q4 & FY15, Mr. Shyam S. Bhartia, Chairman and Mr. Hari S. Bhartia, Co-Chairman, Jubilant FoodWorks Limited said, "In FY2015 we took successful strides to make our brands Domino's Pizza and Dunkin' Donuts more capable, efficient and highly relevant to our customers. As we focus on enhancing operations, tightening efficiencies and on creating more synergies, our path for sustainable & profitable growth is getting cemented. And we are pleased to say that JFL was completely equipped to address sectoral and consumption dynamics that all of us witnessed in the past few months.*

*Q4FY15, we built on the trend of expanding our presence and being more accessible to our customers. We have embraced the omni channel philosophy with the motive of giving our customer a positive experience through dine-in or takeaways from the restaurants, online ordering or home delivery. Thus we saw continued momentum in expansion of our brands to new and existing geographies driven by our compelling product offering and an exciting culinary experience.*

*As we exit FY15, we are yet to see defining improvements in discretionary spends and overall consumer sentiment. However, we remain on track to deliver our goal of driving profitable growth while investing in initiatives that can fuel our momentum over the long term. Our priorities are to invest in our physical infrastructure as well as our digital capabilities, fortify our operating model, and continue to leverage our competitive edge in the food service industry. We are confident and we have the commitment, expertise and financial strength to make the strategic investments to expand our capabilities and business in line with market demand."*

*Commenting on the performance for Q4 & FY15, Mr. Ajay Kaul, CEO, Jubilant FoodWorks Limited said, "In Q4 FY15 we witnessed further stabilization in our same store sale growth which was reported at 6.6%. We are pleased with 25% growth in revenues and 26% in bottom line, but believe there is high potential for us to deliver more. Our sustained efforts to extend brand presence through network expansion, marketing and menu innovation will surely help us ride the opportunity tide more effectively.*

*Domino's Pizza, I'm pleased to report, today has a network of over 887 restaurants across 199 cities in the country, while Dunkin' Donuts has growing at a healthy pace and has 56 restaurants in 20 cities. Steady and sustainable expansion is our mantra and we are pleased with the progress each brand has made given their respective growth profiles.*

*To address the dynamics of the food service industry and at the same time deliver high customer satisfaction, we constantly sharpen our customer focus and innovate within our brands and approach. We witnessed positive response towards recent new launches such as the Zingy parcel and Fresh Pan Pizza in Regular size.*

*We also advanced well in Domino's Online ordering system which we believe enables us to better respond to the growing demand via e-commerce and also enhances our competitive position.*

*Our consistent growth reflects our ability to meet changing customer demands, incorporate their preferences and trends in our creative and innovative menu. We begin FY2016 intensely focused on taking advantage of the many opportunities with an aim to generate higher profitability and better returns for our stakeholders."*

## **Operating Highlights**

### **Domino's Pizza**

- *New restaurant openings*
  - 38 new restaurants opened in Q4 FY15 (150 new restaurants opened in FY15)
  - Total restaurants as on 31 March 2015 stood at 876; was 726 as on 31 March 2014
  - As of today Domino's Pizza has 887 restaurants in 199 cities
- *Restaurants growth*
  - Same Store growth {SSG} in Q4 FY15 at 6.6% and was (3.4)% in Q4 FY14
  - SSG in FY15 at 0.05%; was at 1.6% in FY14
- *City/Town coverage*
  - Present in 196 cities as on 31 March, 2015, up from 150 cities as on 31 March, 2014
  - Growth in Domino's Pizza network in Q4 FY15: Entered new cities such as Neemuch (Madhya Pradesh), Nawanshahr, Rajpura(Punjab), Kharagpur (West Bengal), Sihar (Assam), Dharwad, Ramnagar (Karnataka), Kollam (Kerala), Kullu (Himachal Pradesh), Rishikesh, & Kashipur (Uttarakhand)
- *Commissaries*
  - New commissaries at Guwahati and Hyderabad commenced operations in Q4 FY15
- *Online Ordering (OLO)*
  - Average OLO contribution to delivery sales in Q4FY15 was around 29% (18% in Q4 FY14)
  - Mobile Ordering sales contribution to overall OLO was around 23% during the quarter

- ~2.6 mn downloads of mobile ordering app across various smartphones
- *Recent New Launches*
  - Zingy Parcel – An anytime anywhere snack with delicious Paneer/BBQ Chicken topping rolled over a layer of exotic Harissa Sauce inside a yummy Buttery Crust topped with Basil n Parsley Seasoning
  - Fresh Pan Pizza in Regular size
  - AHA Value Festival- launched for the following products/offerings meant for different occasions
    - Zingy Parcel for Snacking time – Rs.29
    - Pizza Mania for Get Together – Rs.49
    - Kids Meal for Kids Delight – Rs.109
    - A Value Meal Combo@349/- for Family – starting @ Rs.349

### **Dunkin' Donuts**

- *New restaurant openings*
  - 8 new restaurants opened in Q4 FY15 (28 new restaurants opened in FY15)
  - Total restaurants as on 31 March 2015 stood at 54; was 26 as on 31 March 2014
  - As of today Dunkin' Donuts has 56 restaurants in 20 cities
- *City/Town coverage*
  - As of date, present in 20 cities across Delhi, NCR, Chandigarh, Punjab, Uttarakhand, Haryana, Maharashtra, Karnataka , Gujarat and Goa
- *Recent New Launches*
  - Crunchy Joe Burger- Crackling crunchy buns with chunky, juicy sloppy joe filling topped with tex, mex sauce.

### **Result Analysis**

**Total revenue** in Q4 FY15 stood at Rs. 5,421 million.

- Q4 FY15 performance corresponds to;
  - Momentum from new Domino's restaurants opened; 11 cities welcomed their 1st Domino's restaurant. A corresponding strengthening in Dunkin' Donuts' network with 8 new openings also added to growth
  - Ongoing marketing initiatives aimed at providing value, excitement and variety of offering to the customers.
  - Stress in consumption patterns in the sector appears to have bottomed out setting the stage for gradual recovery

**Total Expenditure** in Q4FY15 stood at Rs. 4,720 million.

- Total expenditure showed increase on the back of business growth. Raw material inflation was muted in keeping with trends in general economy

- Expenditure on rentals was higher due to addition in restaurant count and escalation clauses in existing restaurants
- Higher personnel expenses due to increase in minimum wages and performance-linked increments/ incentives over an expanded base of employees
- Total number of employees as on 31 March 2015 stood at 27,108 up from 24,969 as on 31 March 2014

**EBITDA** in Q4FY15 was at Rs. 701 million

- Robust trend in revenue growth together with systemic focus on cost effectiveness resulted in enhancement in operating profit.

**Profit after Tax** in Q4 FY15 stood at Rs 315 million

- JFL's sustained efforts to enhance restaurant network, marketing and product development have helped drive business resulting in positive growth in Q4 FY15.

### **JFL's Outlook**

- **Continuous efforts to increase accessibility**
  - Geographic expansion and penetration in existing cities continues to be a priority
  - Target of 150 new Domino's Pizza restaurants in FY16.
  - 30 new Dunkin' Donuts targeted in FY16
  - Strengthening online/mobile ordering systems to offer better convenience to e-commerce savvy consumers
- **Driving innovation**
  - Continue to bring in excitement in the sector with innovative new products
  - Innovation in menu items as well as expansion of menu in Domino's Pizza
  - Dunkin' Donuts continues to offer high potential to innovate within the all-day part categories
- **Enhance infrastructure scale to support future growth**
  - Grow supporting infrastructure in line with potential and demand in the sector
  - State of the art facilities commissary at Greater Noida is underway and progressing as per plan
- **Drive overall business momentum**
  - Focused on creating stronger competitive edge for both brands to poise business for new growth

### **Key achievements and awards received during the quarter**

- JFL awarded at the Coca Cola Golden Spoon awards under following categories
  - Images Most Admired Food Service Group of the year to Jubilant FoodWorks
  - Images Most Admired Food Service Chain of the year to Domino's Pizza
  - Images Most Admired Café and Juice Bar of the year to Dunkin' Donuts
- Accorded in 4 categories at the "23<sup>rd</sup> Global HR Excellence Awards" - World HRD Congress-2015
  - Dream Companies to work for in Retail Sector
  - Organization with innovative HR practices
  - Diversity Impact award
  - Fun at Work Awards
- JFL ranked 7<sup>th</sup> in the "Great Places to Work" India survey in retail sector
- Domino's India awarded as one among Top 4 winners of coveted BML Munjal Awards(2015) for Business Excellence through Learning & Development, under Private-Service Category
- Domino's Pizza India won the "Golden Peacock National Training Award" by the "Institute of Directors(IOD) - India at the"25th World Congress on Leadership for Business Excellence & Innovation' and the Golden Peacock Awards Presentation Ceremony
- At the Annual Indian Retail Awards which was organized by Franchise India
  - Domino's Pizza India awarded the Customer Service Excellence Award
  - JFL awarded the CSR Initiative of the year award

### **About Jubilant FoodWorks Ltd:**

Jubilant FoodWorks Limited (JFL/Company) is part of Jubilant Bhartia group and India's largest food service company, with a network of 887 Domino's Pizza restaurants across 199 cities (as of 14 May, 2015). The Company & its subsidiary have the exclusive rights to develop and operate Domino's Pizza brand in India, Sri Lanka, Bangladesh and Nepal. At present it operates in India and Sri Lanka. The Company is the market leader in the chained pizza market with ~70% market share in India (as per Euromonitor data published in 2014). The Company also has exclusive rights for developing and operating Dunkin' Donuts restaurants for India and has launched 56 Dunkin' Donuts restaurants across 20 cities in India (as of 14 May, 2015).

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