



# Jubilant FoodWorks Limited (JFL)

Earnings Presentation – Q1 FY2015

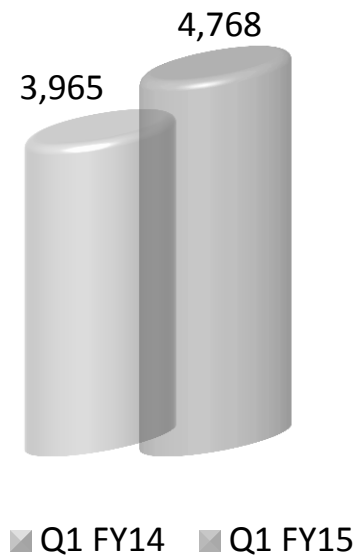
August 07, 2014



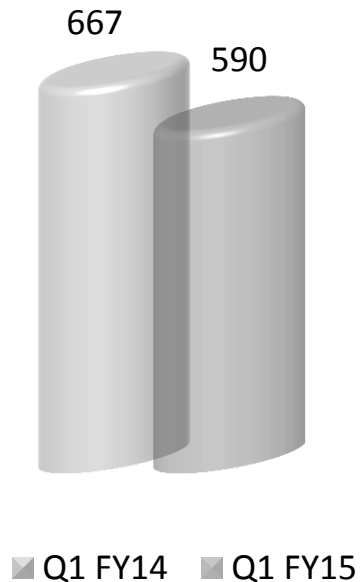
# Performance Highlights

**Jubilant FoodWorks Limited (JFL)**, India's largest and fastest growing multinational Food Service Company, reported its financial results for the quarter ended 30 June, 2014.

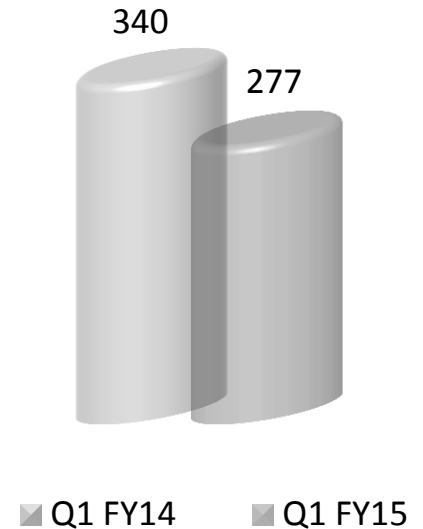
**Total Income (Rs. mn)**



**EBITDA (Rs. mn)**



**PAT (Rs. mn)**



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 Overview

## Customer reach expansion

- Restaurant network expansion
- Technology-based accessibility



## Sustained Profitability



Exclusive franchise for  
Domino's Pizza and  
Dunkin' Donuts



GET YOUR MOJO BACK!



## Strong brand positioning

- "Yeh Hai Rishton ka time" for Domino's Pizza- focussed on relationships and bonding and aimed at strengthening the emotional connect with consumers
- Dunkin' Donuts & More- Get your Mojo back -focused on the urban youth consumer



## New Product development



Hub-and-Spoke  
Commissary  
arrangement



Robust back-end  
infrastructure  
Uninterrupted  
cold-chain

## Talented & motivated workforce

- Employee empowerment
- Training & development

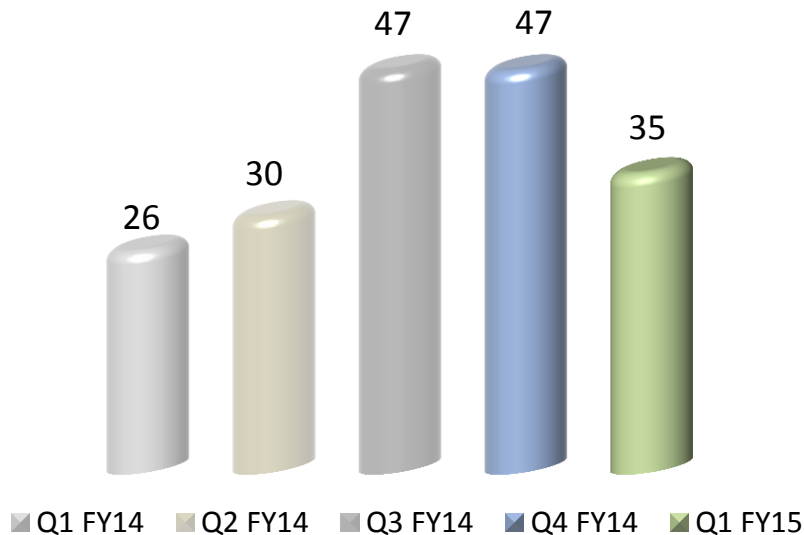


# Highlights- Domino's Pizza – Restaurant Network

# 772

Restaurants  
in 158 cities  
as of 06  
August  
2014

No. of Restaurants opened



Total Number of Restaurants (as of)

Q1 FY15	Q1 FY14
761	602

Same Store Growth (SSG) %

	Q1
FY 15	(2.4)%
FY 14	6.3%

## Growth in Domino's Pizza network

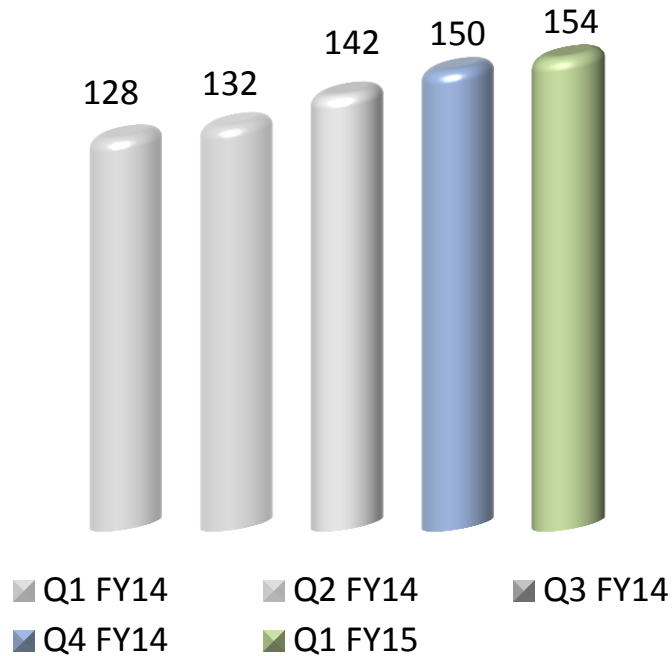
- Presence of Domino's Pizza network in new cities - Pathankot (Punjab), Nellore (Seemandhra), Kundli (Haryana), & Bhiwani (Haryana).

# Highlights- Domino's Pizza – Restaurant Network

## City/Town Coverage

Q1 FY15

154

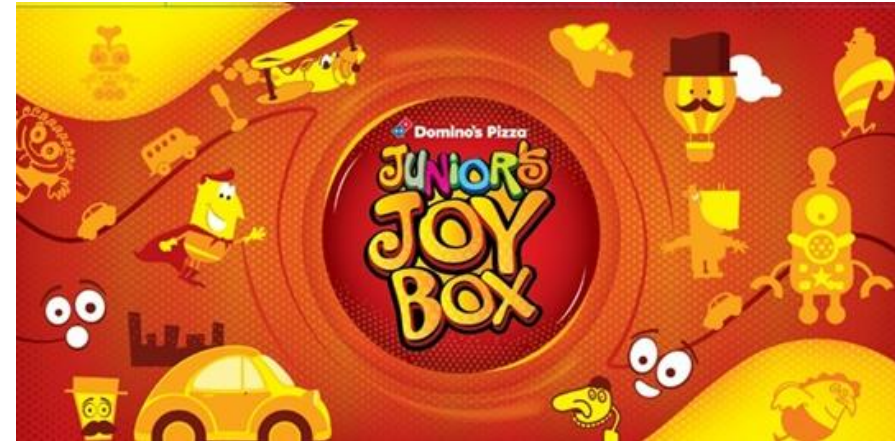


Sr No.	State/Union Territory	Cities	Restaurant
1	Maharashtra	17	164
2	Karnataka	10	93
3	New Delhi	1	70
4	Gujarat	13	53
5	Tamil Nadu	10	53
6	Uttar Pradesh	14	52
7	Haryana	14	42
8	Telangana	2	41
9	West Bengal	7	37
10	Punjab	11	26
11	Madhya Pradesh	5	22
12	Chhatisgarh	6	13
13	Uttranchal	7	12
14	Rajasthan	4	11
15	Goa	1	10
16	Kerala	4	9
17	Orissa	5	8
18	Chandigarh	1	7
19	Seemandhra	5	7
20	Jharkhand	3	7
21	Bihar	1	5
22	Assam	1	5
23	Himachal Pradesh	4	4
24	Jammu & Kashmir	2	4
25	Sikkim	2	2
26	Puducherry	1	1
27	Meghalaya	1	1
28	Daman	1	1
29	Dadra And Nagar Haveli	1	1
	Grand Total	154	761

# Highlights - Domino's Pizza

## New launches

- Junior JoyBox is a complete kid's meal and consists of a cheesy pizza slice, two yummy breadsticks with oregano seasoning, a delicious rainbow sprinkled custard dessert, a fruit based beverage and a toy. This has enabled the Company to successfully introduce a new gamut of audience to its universe



- The new refreshed menu includes 10 new pizzas with a variety of new offerings in both the vegetarian and non-vegetarian segments. The pizzas introduced in the vegetarian category are Veg Hawaiian Delight, Spicy Triple Tango, Veggie Paradise, Cloud 9 and Chef's Veg Wonder . The non-vegetarian varieties include Chicken Salami Special, Chicken Hawaiian Twist, Chef's Chicken Choice, Seventh Heaven and the Chicken Dominator



Delicious Meal Box +  
Maaza + Spongebob  
SquarePants toy,\*\*  
Just for ₹99.  
It's a true reward for  
your Junior.

\*\*The toy may vary depending upon availability



Introducing  
**10 new  
lip-smacking  
pizzas**  
in our refreshed menu.  
It's time to fall in love  
with pizzas all over again.

# Highlights - Domino's Pizza

## New launches

### South Zesty Veggie



### Southern Chilli Chicken



- A deliciously cheesy pizza with a new super spicy Andhra Chilli Chicken topping made from favorite southern recipes
- The innovative toppings are aligned to tastes and preferences of South India and help cater to region specific preferences

## Online Ordering (OLO)

- OLO consistently gaining traction amongst customers
- Average OLO contribution to delivery sales in Q1FY15 was around 21.8%

A screenshot of the Domino's Mobile Ordering Application login screen. The interface is dark-themed with red and white text. At the top, it says 'Welcome to Domino's Mobile Ordering Application' and 'Let's Get Started'. Below this, there are input fields for 'Mobile#' and 'Password'. A 'Remember me' checkbox is checked, and a toggle switch is set to 'ON'. There are three buttons: 'Login', 'Forgot Password', and 'Sign Up'. At the bottom, it says '© Jubilant FoodWorks Ltd'.

## Mobile ordering

- Mobile Ordering sales contribution to overall OLO was around 21.5% during the quarter
- ~1.8 mn downloads of mobile ordering app across various smartphones



# Highlights - Dunkin' Donuts



*All Day  
Part  
Menu*



# Highlights - Dunkin' Donuts

# 34

Restaurants opened as on  
06 August, 2014

- Present in 11 cities across Delhi, NCR, Chandigarh, Punjab, Uttarakhand, Haryana and Maharashtra

## New Launches



**Wicked Wraps-** The range of Wicked Wraps consists of both Veg and Non Veg options. Wicked Wraps and Not So Wicked Wraps- While the Wicked Wraps are extremely high on the spice quotient, the Not So Wicked wraps, as the name suggests, is milder on the spice quotient



**Iced Teas-** Dunkin' Donuts launched two new summer refreshers in the form of tasty coolers

- Iced Green Tea
- Spiked Iced Tea

# Highlights - Dunkin' Donuts

## New Launches



### The Tough Guy Brute Veg Burger

Black kidney bean patty marinated with mild smokey and spicy Tex Mex seasoning, layered with fresh vegetables, cheese, Jalapeno, Harissa sauce and Tex Mex mayo between a soft rustic bun.

### The Tough Guy Brute Chicken Burger

Combination of Mediterranean herb spiced chicken and Mexican chorizo patty layered with fresh vegetables, cheese, Jalapeno, Harissa sauce and Chili mayo between a soft rustic bun.



### New range of Dunkaccino

Dunkin Donuts extended the range of Dunkaccino with new flavours



#### Jamaican Rum & Almonds

#### Dunkaccino-

Jamaican Rum flavoured Dunkaccino sprinkled with Almonds.

#### Mocha Chip

Dunkaccino- Pure Chocolate Excess - Hot Chocolate, Choco-chips blended coffee



# Highlights - Dunkin' Donuts

5 new Restaurant launches in Q1 FY2015

@ Linking Road – Khar  
Mumbai



@ Phoenix Market City- Kurla –  
Mumbai



@ Dana Pani- Karnal



@ Model Town – New Delhi



@ Huda City Centre– Gurgaon



***Commenting on the performance for Q1 FY15, Mr. Shyam S. Bhartia, Chairman and Mr. Hari S. Bhartia, Co-Chairman, Jubilant FoodWorks Limited said, “Our company is built on the strength of our expertise in the Indian Food Service Industry (FSI) and the robustness of our systems and with that JFL has evolved to become a leader in its domain. Our performance over the past years combined with the potential in the industry instills in us the confidence to continue our drive for growth.***

*Our industry is consistently developing, and we have been able to innovate, evolve and use our arsenal of skills to create a business model that revolves around building deeper connections, crafting authentic brand experiences and most importantly - customer satisfaction.*

*The power of brands and diversified offerings has never been more evident. Domino’s Pizza continues its journey with a focus on increasing restaurant penetration in existing and new markets. Dunkin’ Donuts has entered a new phase as we steadily take the brand across cities in the country. Innovations continue to dominate the agenda for both our brands, which has enabled us to adapt to customer preferences. We have allocated capital and resources to drive investments in our brands, product offerings, and commissaries and believe that we are in the right place to benefit from the long term consumer trends that we envisage.”*

# Management Views

*Commenting on the performance for Q1 FY15, Mr. Ajay Kaul, CEO, Jubilant FoodWorks Limited said, “JFL stood true to its objectives in a challenging environment for consumer spending. Our comprehensive approach has focused on growing our revenues while driving cost optimization measures. The quarter witnessed the results of our ongoing efforts to enhance consumer reach through our restaurants, our home delivery systems and via online & mobile ordering. Today our restaurant network for Domino’s pizza spans over 158 cities with 772 restaurants. We have also grown our network for Dunkin’ Donuts and today we are now present across 11 cities with 34 restaurants.*

*JFL continued to implement its key focus areas such as expansion and innovation. Riding the innovation wave to attract new customers, as well as to cater to our brand patrons remained a priority for us. We continue to work diligently to launch new offerings such as the ‘10 new pizzas’ along with some region specific toppings. The launch of Junior Joy Box, has abled us to target a new segment of consumer and thereby expand our reach horizon. These initiatives, besides strengthening brand Domino’s Pizza, will also serve as future growth drivers. At Dunkin’ Donuts, our core remains the same and innovation continues to guide our journey. The launch of new offerings on our menu such as the range of iced teas and wraps, continue to ameliorate our connection with customers.*

*As we begin a new fiscal year, we are well underway with our investment programme for strengthening our foundation and create a platform for JFL’s brands to capitalize on the potential of the FSI in India. We look forward to building on our long-term strategy to enhance operations, expand the foot-print and extend our brands to drive our success.”*

# Result Highlights

Particulars (Rs. mn)	Q1 FY15	Q1 FY14	Growth %
Income from Sales	4,767.4	3,964.3	20.3%
Other Operating Income	0.9	0.7	31.9%
Total Income	4,768.3	3,965.0	20.3%

- *Growth in revenues is a combination of addition to number of restaurants, entry into new cities, ongoing and tactical promotional offers , benefit from the price hike taken and upside from new product launches in Domino's Pizza and Dunkin' Donuts*
- *Initiative like Pizza Theatre and innovative launches like Junior Joy Box are generating sustained momentum in Domino's Pizza brand and attracting a wider audience*

Particulars (Rs. mn)	Q1 FY15	Q1 FY14	Growth %
Raw Material and Provisions Consumed	1,210.3	1,027.8	17.8%
Personnel Expenses	991.1	752.7	31.7%
Manufacturing and Other Expenses	1,977.2	1,517.6	30.3%
Total Expenditure	4,178.6	3,298.0	26.7%

- *Trend in total expenditure mirrored growth in overall sales/ restaurants.*
- *Increase in total expenditure is primarily because of:*
  - *Inflation being higher than SSG*
  - *Increased promotion activities*
  - *Lower margin in new restaurants than system, and*
  - *Dunkin' Donuts development*
- *Total number of employees as on 30 June 2014 stood at 25,780 up from 21,070 on 30 June 2013.*

# Result Highlights

Particulars (Rs. mn)	Q1 FY15	Q1 FY14	Growth %
EBITDA	589.6	666.9	(11.6)%
<i>Margins %</i>	12.4%	16.8%	(440) bps

- *Margins impacted by expenditure related to employee cost, rentals, advertising and promotion and Dunkin' Donuts development*

Particulars (Rs. mn)	Q1 FY15	Q1 FY14	Growth %
PBT	383.7	509.9	(24.8)%
<i>Margins %</i>	8.0%	12.9%	(490) bps
PAT	277.3	340.0	(18.5)%
<i>Margins %</i>	5.8%	8.6%	(280) bps

- *Aligned to the overall subdued consumption pattern coupled with inflationary impact on costs, opening of new Domino's Pizza restaurants and development of Dunkin' brand, the profitability during the quarter stood moderated*



## Expand Audience base

- Drive efforts to reach a wider audience base through restaurant network and online ordering
- Sustain efforts to launch new restaurants in current geographies as well as tap new cities
- Target for launch of new Domino's Pizza restaurants at 150 in FY15. Successfully opened 46 new restaurants YTD
- Corresponding target for Dunkin' Donuts at 25 new restaurants. The Company has opened 8 new restaurants YTD

## Enhance brand development initiatives

- Laser sharp focus on creating higher levels of customer satisfaction via innovative offerings for both Domino's Pizza & Dunkin' Donuts

## Target vision for long term

- Create platforms which will catapult JFL's growth in the long term

# Key achievements and awards during the quarter



■ Domino's Pizza India has been awarded the following awards in Asia Pacific Region by Domino's Pizza Inc:

- Trainer of the year
- Rookie Manager of the year



■ Domino's Pizza was accorded winner in 2 categories at the prestigious Indian Retail and e – Retail awards

- Best advertisement/Marketing campaign of the year – Pizza Mania “Pehli Kamai”
- Best Home delivery



■ Company has been awarded the “Exceptional Position” in the Supply Chain and Logistics Excellence (SCALE) Awards 2013 instituted by the CII



# 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 772 Domino's Pizza restaurants across 158 cities (as of 6 August, 2014). 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 organized chain 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 34 Dunkin' Donuts restaurants across 11 cities in India (as of 6 August, 2014).

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*Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. JFL will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances*