

Press Release - Financial Results for Q2 and H1 FY2017-18

Highlights Q2 FY18

- Operating Revenue at Rs.7266 million, up by 9.2%
- Same Store Growth for Domino's at 5.5%
- EBITDA at Rs.1022 million, up by 59.0%
- EBITDA at 14.1 % of Revenue, highest in fourteen quarters
- Profit after tax at Rs.485 million, 6.7% of Revenue, up by 124.7%
- Reduction in Dunkin' losses continues

Jubilant FoodWorks Limited (JFL) today reported strong financial results for the second quarter ended 30th September, 2017.

Operating Revenues for Q2FY 18 were Rs.7266 million, a growth of 9.2% over Q2FY17. Sequential revenues vs. Q1 FY18 grew by a strong 7%.

This was driven by a strong **5.5% Same Store growth (SSG) in Domino's Pizza**, lapping the fastest growth quarter from last year of Q2 FY17.

Overall Profitability also saw significant improvement with **EBITDA for Q2 FY18 coming in at Rs.1022 million at 14.1% of revenue**, and a **growth of 59.0%** over Q2 FY17. The **EBITDA margin was the highest in the last fourteen quarters**.

Profit after Tax in Q2 stood at Rs.485 million at 6.7% of revenue, and a **growth of 124.7% over Q2FY17**. This was the **highest PAT margin since Q3FY14**.

The key highlights of the quarter's performance were –

1. Q2 FY18 saw the rollout of GST, and JFL ensured that all benefits resulting from this were passed on to consumers across the country.
2. Upgraded Domino's App with improved functionalities, leading to a strong growth in online ordering
3. Disciplined Cost management across all fixed cost lines
4. Reduction in DD losses continues

Commenting on the performance for Q2 FY18, **Mr. Shyam S. Bhartia, Chairman and Mr. Hari S. Bhartia, Co-Chairman, Jubilant FoodWorks Limited said,**

"A combination of mid-single digit same store sales growth and disciplined cost management led to another solid performance in Q2 FY18. We made good progress towards our goals during the quarter in both Domino's Pizza and Dunkin' Donuts. The performance strengthens our conviction in the strategy for growth unveiled earlier in the year, and reinforces our belief in the potential for the JFL business in the time ahead.

I am happy to state that the new GST regime was implemented very smoothly in the company and we quickly passed on the net benefit to all the consumers across the country".

Commenting on the performance for Q2 FY18, **Mr. Pratik Pota, CEO and Whole time Director, Jubilant FoodWorks Limited** said,

“At the beginning of the year, we had unveiled our new strategy for driving profitable growth. As part of this, we reinvested the GST savings accrued to the company in significantly upgrading the Domino’s pizza product. I am pleased to share that this, along with our other initiatives, helped us deliver a strong performance on Domino’s in Q2FY18. Dunkin’ Donuts too made significant progress towards the stated objective of halving losses this year. Additionally, our discipline of controlling costs and driving efficiencies helped improve overall operating margins. Going forward, we will continue to drive the strategic pillars of Superior Product and Innovation, Enhanced Value, Seamless Customer Experience, and Improved Technology, while bringing a razor sharp focus on cost management. We are excited about the growth potential in the food category and are looking forward to driving profitable growth for our business.”

Highlights

Domino’s Pizza				
Particulars	Q2FY18	Q2FY17	H1FY18	H1FY17
SSG	5.5%	4.2%	6.0%	0.5%
Network data				
Restaurant at the beginning of the period	1125	1049	1117	1026
New Restaurants	1	32	14	55
Closed restaurants	1	-	6	-
Restaurants at the end of the period	1125	1081	1125	1081
Number of New Cities added	Nil	7	1	15
1126 restaurants as of 26 th October, 2017 across 264 cities				
No new city added in Q2FY18				
Online data				
Particulars	Q2FY18	Q2FY17		
OLO to Delivery Sales %	57%	47%		
Mobile Ordering sales to OLO %	69%	54%		
App Download Count (in mn)	7.8	5.0		
New Product launches				
<ul style="list-style-type: none"> • All New Domino’s Pizza – all round product upgrade • Tandoori Makhni Pizza 				

* “Same store growth” (SSG) refers to the year-over-year growth in sales for restaurants in operation for 2 whole years (i.e. current & previous year)

Dunkin’ Donuts				
Particulars	Q2FY18	Q2FY17	H1FY18	H1FY17
Network data				
Restaurant at the beginning of the period	55	77	63	71
New Restaurants	2	1	3	8
Closed restaurants	5	5	14	6
Restaurants at the end of the period	52	73	52	73
Number of New Cities added	Nil	Nil	Nil	Nil
50 restaurants as of 26 th October, 2017 across 12 cities				
No new city added in Q2FY18				
New Product launches				
<ul style="list-style-type: none"> • Signature Donuts: Chocotella, White Choco Cheesecake, Choco Symphony & Coffee Toffee 				

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.

About Jubilant FoodWorks Ltd:

Jubilant FoodWorks Limited (JFL/Company) is part of Jubilant Bhartia group and is one of India's largest food service Company, with a network of 1126 Domino's Pizza restaurants across 264 cities (as of Oct 26, 2017). 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 also has exclusive rights for developing and operating Dunkin' Donuts restaurants for India and has 50 Dunkin' Donuts restaurants across 12 cities in India (as of Oct 26, 2017).

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