

# Q4 & FY17 Earnings Presentation

29 May 2017

## Financial Highlights

### Q4 FY17

Operating Revenue at Rs. 6,128 million

EBITDA at Rs. 605 million

Profit after tax at Rs. 67 million

### FY17

Operating Revenue at Rs. 25,461 million

EBITDA at Rs. 2,466 million

Profit after tax at Rs. 673 million

## Corporate Announcements:

**Appointment of Additional Directors:** In order to strengthen the Board, Mr. Berjis Minoo Desai, Mr. Shamit Bhartia and Ms. Aashti Bhartia have been appointed as Additional Directors to the Board

**Dividend:** Dividend recommended to shareholders of Rs 2.5 per Equity share of Rs 10 FV

## Continued expansion

### Enhance customer reach

- Restaurant network expansion
- Technology-based accessibility



**Capitalise potential** - in the chained FSI which is poised to grow at a healthy rate



## Exclusive franchise for Domino's Pizza and Dunkin' Donuts

**Domino's Pizza- "Yeh Hai Rishton ka time"** - for 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

- Keep developing & offering new/ wide range of products to build excitement and enrich culinary experience of customers



## Talented & motivated workforce



- Employee empowerment
- Training & development
- Reward and recognition
- Career progression

## Robust processes & infrastructure

- Hub-and-Spoke commissary arrangement
- Uninterrupted cold-chain
- Intensive site selection process for new restaurants
- Consistency of quality
- Joint utilisation of commissaries for both brands
- Deploying Six Sigma & SAP systems



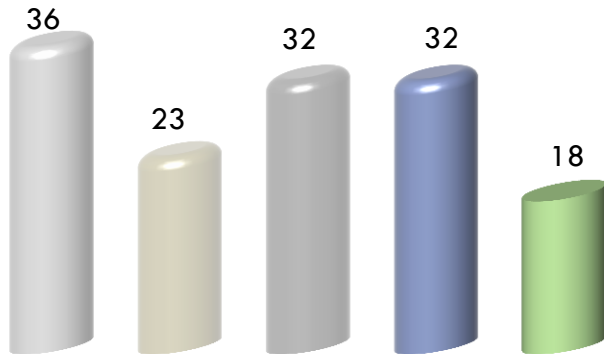
## Sustained Profitability

- Vision to drive long term growth and profitability
- Leveraging and building infrastructure and brand equity to capitalise on future potential
- Corporate governance

**Restaurants in 265 cities as of May 29, 2017**

**1,127**

## No. of restaurants opened



■ Q4 FY16 ■ Q1 FY17 ■ Q2 FY17 ■ Q3 FY17 ■ Q4 FY17

## Network data

	Q4 FY17	Q4 FY16	FY17	FY16
Restaurant at the beginning of the period	1,107	990	1,026	876
New Restaurants	18	36	105	150
Closed restaurants	8	-	14	-
Restaurants at the end of the period	<b>1,117</b>	<b>1026</b>	<b>1,117</b>	<b>1026</b>

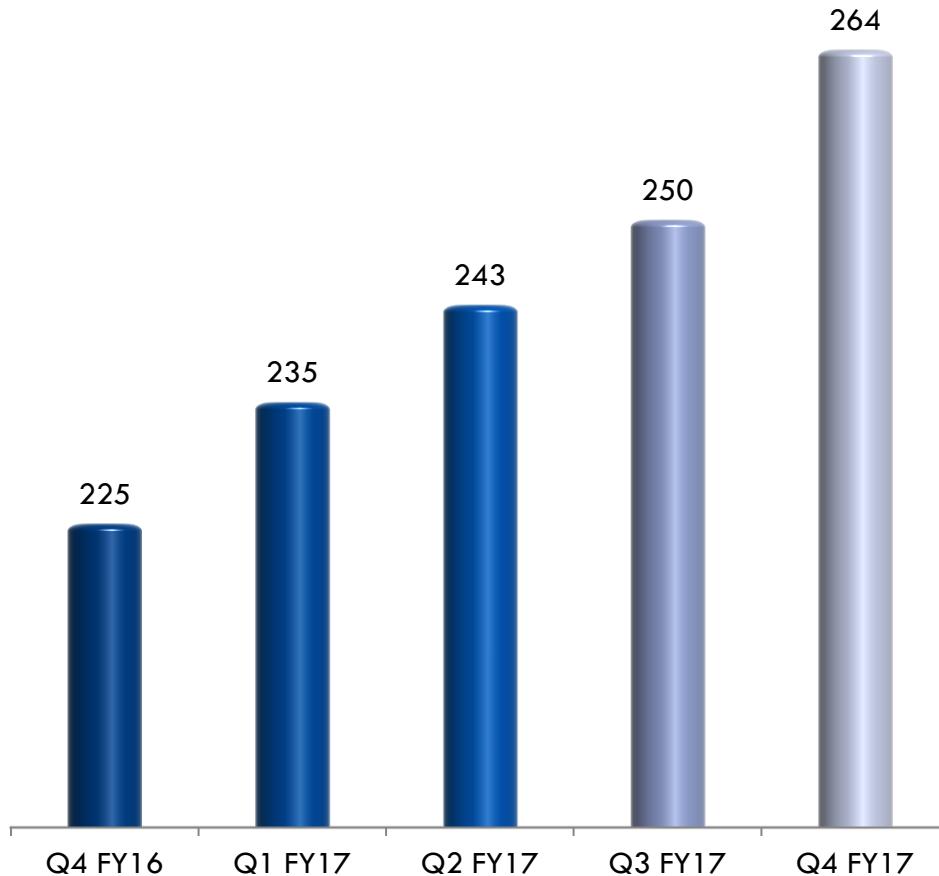
## Same Store Growth (SSG) %

	Q4	FY
<b>FY 17</b>	(7.5)%	(2.4)%
<b>FY 16</b>	2.9%	3.2%

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

New Cities entered in Q4 FY17: Madikeri (Karnataka), Dimapur, (Nagaland), Tinsukia (Assam), Jodhpur (Rajasthan), Palanpur (Gujarat)

## City/Town Coverage



States/Union Territory	Cities	Restaurants
Maharashtra	28	219
Uttar Pradesh	23	80
Gujarat	21	76
Haryana	20	53
Punjab	20	48
Karnataka	17	127
Madhya Pradesh	15	39
Rajasthan	12	25
Tamil Nadu	12	78
Bihar	10	19
Seemandhra	10	20
West Bengal	10	61
Himachal Pradesh	9	9
Uttanchal	9	14
Assam	7	16
Chhatisgarh	7	15
Kerala	7	19
Odisha	6	10
Jharkhand	5	10
Telangana	3	57
Jammu & Kashmir	2	4
Sikkim	2	2
Arunachal Pradesh	1	1
Chandigarh	1	7
Dadra And Nagar Haveli	1	1
Daman	1	1
Goa	1	12
Meghalaya	1	2
Nagaland	1	1
New Delhi	1	89
Puducherry	1	2
<b>Grand Total</b>	<b>264</b>	<b>1,117</b>

# New Launches - Domino's Pizza

Choco Pizza



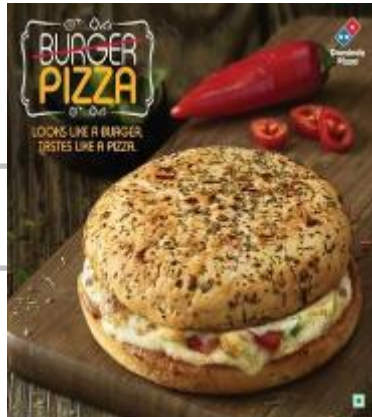
Quattro Formaggi  
Burst Crust



Pizza Mania Extremes

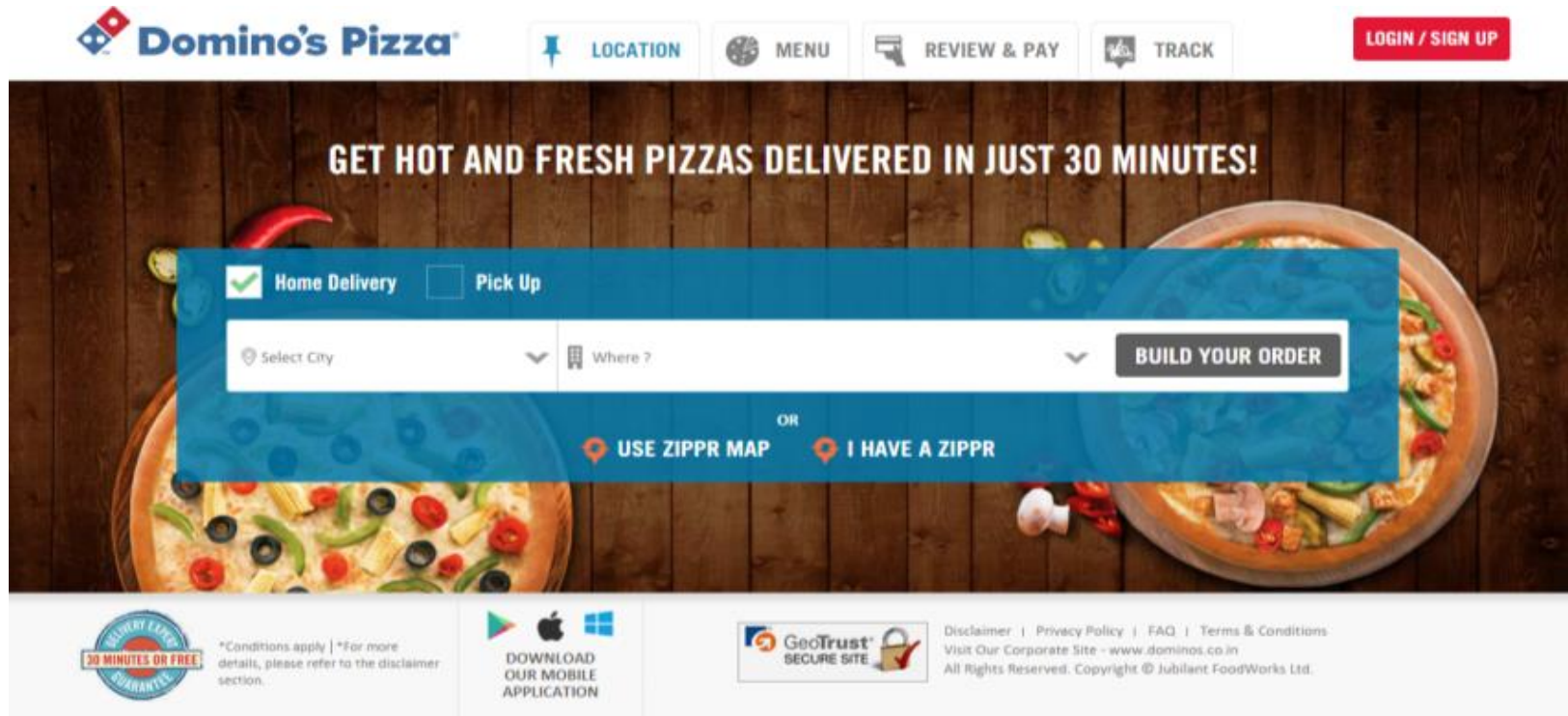


Burger Pizza



Navratra Menu

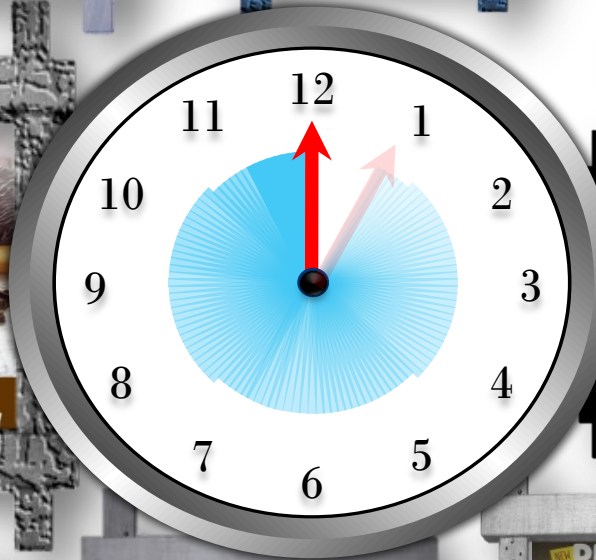




**CLICK TO ORDER ONLINE**

	Q4 FY16	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17
Average OLO contribution to delivery sales	41%	44%	47%	49%	51%
Mobile Ordering sales contribution to overall OLO	38%	41%	54%	56%	68%
Downloads of mobile ordering app	3.9 mn	4.4 mn	5.0 mn	5.3 mn	6.4 mn

# Dunkin' Donuts & more - All Day Part Menu





# 60

Restaurants as on 29 May 2017 across 16 cities

Network data				
Particulars	Q4 FY17	Q4 FY16	FY17	FY16
Restaurants at beginning of period	73	70	71	54
New restaurants	3	4	12	20
Closed restaurants	13	3	20	3
Restaurants at end of period	63	71	63	71
City Count	16	23	16	23

## Valentine's Day Donuts



## Holi Range of Donuts



For the month of March, on the occasion of Holi, we introduced a range of 5 new colourful donuts

### Mango Craze



### Cutie Fruity



### Sweet Confusion



### Rainbow Pop



### No More Blues



## Chef's Favourite Paneer



## DunkyDooos



## Donut Cakes



## Big Joy Burgers



## Munchkins



**Commenting on the performance for Q4 & FY17, Mr. Shyam S. Bhartia, Chairman and Mr. Hari S. Bhartia, Co-Chairman, Jubilant FoodWorks Limited said,**

*“FY17 was a year which tested our mettle and posed unprecedented challenges. As a result, our topline growth was adversely impacted in the quarter and the year. However, the Company took immediate steps to cut costs and improve efficiencies which enabled us to minimize the adverse impact of slowing sales on the bottom line.*

*We believe that the short-term headwinds are now behind us and firmly believe in the long-term growth potential of our business.”*

**Commenting on the performance for Q4 & FY17, Mr. Pratik Pota, CEO and Whole time Director, Jubilant FoodWorks Limited said,**

*“In the backdrop of a challenging environment, we took concerted action to orient the business on a path of profitable growth. We intensified our cost optimization drive across all functions in the organization. In addition, we also sharpened our strategy to get growth back in the business. The key pillars of our strategy – which in many ways is about getting back to basics – will be delivering improved product quality, introducing powerful consumer-relevant innovations, improving our value for money offering, and upgrading our digital and technology interface.*

*These together will lead to a significantly enhanced customer experience that will drive profitable growth for the business. As we enter the new fiscal, we believe that JFL has the right strategy and the execution capability to drive long term growth and increase shareholder value.”*

Particulars (Rs. mn)	Q4 FY17	Q4 FY16	Growth %	FY17	FY16	Growth %
Operating Revenue	6,127.7	6,180.5	(0.9)%	25,460.7	24,102.1	5.6%
Other Income	35.8	29.2	22.5%	144.8	113.3	27.9%
Total Income	6,163.5	6,209.7	(0.7)%	25,605.6	24,215.4	5.7%

- Operating Revenue for Q4 FY17 was Rs. 6,127.8 million, a decline of 0.9% over Q4FY16
- Domino's Pizza India SSG was negative 7.5%
- Q4 Revenues were impacted by demonetization during Jan-Feb, its impact was partly offset by;
  - Increase in online ordering sales
  - Incremental revenue due to addition of new restaurants

Particulars (Rs. mn)	Q4 FY17	Q4 FY16	Growth %	FY17	FY16	Growth %
Raw Material & Provisions Consumed	1,418.2	1,452.2	(2.3)%	6,159.8	5,700.5	8.1%
Personnel Expenses	1,423.2	1,459.9	(2.5)%	5,845.4	5,684.4	2.8%
Other Expenses	2,681.2	2,555.2	4.9%	10,989.7	9,999.5	9.9%
Total Expenditure	5,522.6	5,467.3	1.0%	22,994.8	21,384.4	7.5%

- Total Expenditure in Q4 FY17 stood at Rs. 5,523 million, up 1.0% over Q4 FY16
  - This was primarily on account of expansion in operations due to addition of new restaurants
- The total number of employees as on 31st March 2017 stood at 26,604 as against 27,719 as on 31st March 2016

# Result Highlights

Particulars (Rs. mn)	Q4 FY17	Q4 FY16	Growth %	FY17	FY16	Growth %
EBITDA	605.2	713.2	(15.1)%	2,465.9	2,717.7	(9.3)%
Margins	9.9%	11.5%	(160) bps	9.7%	11.3%	(160) bps

- The EBITDA for Q4 FY17 was at Rs. 605.2 million. Negative SSG and increase in cost primarily on account of expansion resulted in reduction in EBITDA

Particulars (Rs. mn)	Q4 FY17	Q4 FY16	Growth %	FY17	FY16	Growth %
PBT	81.1	414.6	(80.4)%	977.5	1,588.3	(38.5)%
Margins	1.3%	6.7%	(540) bps	3.8%	6.6%	(270) bps
PAT	67.2	278.3	(75.9)%	672.5	1,066.2	(36.9)%
Margins	1.1%	4.5%	(340) bps	2.6%	4.4%	(180) bps

- The Profit after Tax in Q4 FY17 stood at Rs 67.2 million. Higher depreciation related to network expansion also impacted PAT
- Earnings reflect the impact of exceptional items of Rs 121.7 million related to one time separation cost incurred as part of manpower rationalisation exercise carried out by the company during the quarter

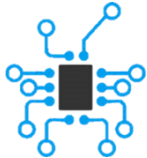
Particulars (Rs. mn)	Profit Reconciliation	
	Quarter ended 31st March 2016	Year ended 31st March 2016
<b>Net Profit as reported under Previous GAAP</b>	294.7	1146.0
<b>Effects of transition to Ind AS</b>		
Actuarial Gain/(Loss) on employee defined benefit plan	(5.0)	(19.4)
Impact of discounting of Security deposit		
- Rent Expense (net of Straight lining)	(13.3)	(38.6)
- Other Income	12.9	52.4
Employee stock option Scheme measured at Fair Value	(18.9)	(75.8)
Income Tax (including deferred tax)	8.0	1.9
<b>Net Profit/(loss) for the Quarter/year ended under Ind AS and Reserves</b>	<b>278.3</b>	<b>1066.2</b>
Other Comprehensive Income/(expense) (net of taxes)	3.3	12.7
<b>Total Comprehensive Income under Ind AS as reported</b>	<b>281.6</b>	<b>1078.9</b>





## Network expansion

- Increased reach of restaurant network to provide better accessibility to the customers. For FY18, the target would be to open around 40-50 new Domino's Pizza restaurants and 4 - 5 new Dunkin' Donuts restaurants.
- Plan to reimage around 100 restaurants for a better customer experience



## Leverage technology to fuel growth

- Invest and grow OLO channel to create a seamless customer experience and derive efficiencies



## Strategic infrastructure investment

- Necessary investments that will fortify business capabilities and help tap market opportunities
- Greater Noida Supply Chain Center shaping up as per Company's plans and is targeted to be operational soon



## Innovation initiatives

- Energize existing loyal customer base and attract new audiences through innovative and evolving menu items and marketing strategies

# Key achievements and awards during the quarter



Jubilant Foodworks Limited has won the 3<sup>rd</sup> Edition of “Indian Risk Management Award – Best Risk Management Practice (Retail)” by CNBC TV-18.



Jubilant Foodworks Limited has been certified as Great Place to Work by the Great Place to Work Institute for building a high trust & performance culture.

Jubilant FoodWorks Limited (JFL/Company) is part of Jubilant Bhartia group and India's largest food service company, with a network of 1,127 Domino's Pizza restaurants across 265 cities (as of May 29, 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 launched 60 Dunkin' Donuts restaurants across 16 cities in India (as of May 29, 2017).

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