

PIZZAEXPRESS GROUP

FULL YEAR RESULTS for the 52 weeks ended 26 June 2016

25 August 2016

FURTHER PROGRESS IN THE UK & IRELAND AND INTERNATIONAL MARKETS

Highlights

- Turnover grew by 14.1%¹ to £488.0 million (FY 2014/15: £427.7 million)
- UK & Ireland like-for-like sales down by 1.3%², reflecting a broader slowdown in casual dining market
- EBITDA up 0.1% to £100.3 million (FY 2014/15: £100.2)
- UK & Ireland business:
 - Estate continued to grow, with 18 new site openings
 - Re-launch of retail range, including introduction of gluten-free pizzas
 - New partnership with O2 proving popular and reaching new customers
 - Firezza business progressing well since acquisition in Q3
 - Partnership with Deliveroo now live in over 200 sites
- International business:
 - Continued progress in all international markets
 - 17 new site openings, including 11 in China and Hong Kong
 - Strong pipeline of openings across all international markets

Richard Hodgson, Chief Executive Officer of PizzaExpress, commented:

“Despite a challenging market environment in the UK, PizzaExpress has made steady overall progress throughout the year. I am pleased to say that group turnover grew by 14.1 percent and that Group EBITDA once again broke the £100 million barrier, at £100.3 million, slightly ahead of last year.

“During the year, we continued to grow our UK & Ireland estate, with 18 new site openings. In addition, we have successfully implemented a number of new initiatives in the UK & Ireland in order to help reinforce PizzaExpress as one of the UK’s favourite brands and uphold our position as the UK’s leading casual dining chain.

“We successfully re-launched our PizzaExpress retail range, which has been very well received, with our new pasta range in Waitrose in particular proving very popular. Furthermore, we have expanded our retail offering into the fast-growing “free-from” market with the introduction of a gluten-free pizza in Sainsbury’s.

“We are also pleased to have entered a new partnership with O2, allowing O2 Priority customers to enjoy a meal at PizzaExpress for just £5 every week.

¹ Pro-forma for the 52 weeks ended 28th June 2015

² On a constant currency basis

“We have also made good progress on our strategy for the home delivery market. Firstly, we continue to be delighted with the performance of Firezza, a leading London pizza delivery business we acquired in February and plan to roll this out beyond its current London heartland.

“Secondly I am hugely excited about our new partnership with Deliveroo, which means fans of PizzaExpress are now able to have our pizzas delivered to their door in many locations across the country and we are now already live in over 200 sites from Dublin to Southend.

“Our international business has continued to progress well in all markets and we have opened 17 new sites in total, with 11 of these in China and Hong Kong. We have also established a strong pipeline of new sites across each of the territories in which we operate.

“In April we opened a site in Guangzhou, the fourth city for PizzaExpress in Mainland China after Beijing, Shanghai and Shenzhen and have been extremely pleased with its performance so far. We were also delighted to have opened our first ever site in Singapore in July, which has had an encouraging start and has received incredibly positive feedback.

“This has been a more challenging year for the UK casual dining sector, with a more cautious consumer and a significant increase in new openings. However, the strength of our offer and the initiatives we have put in place, including in the rapidly growing home delivery market, stand us in good stead.

“In addition, further international growth, especially in China, represents a significant opportunity for us. We have the benefit of a strong brand and resilient business model that has traded successfully for over 50 years, and we are confident that PizzaExpress will deliver further progress in the year ahead.”

-ENDS-

For Further Enquiries:

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Notes to Editors

A Pizza History:

- PizzaExpress has been obsessed with pizza ever since its founder Peter Boizot opened the first PizzaExpress restaurant on Wardour Street in London’s Soho in 1965
- The brand was one of the first to adopt open kitchens
- PizzaExpress now has over 570 restaurants globally and sells over 34 million pizzas in UK supermarkets every year
- To find out more visit www.pizzaexpress.com

This release contains inside information as defined in the Market Abuse Regulation 596/2014/EU

This release contains “forward-looking statements” within the meaning of the securities laws of certain jurisdictions. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. Forward looking statements are not guarantees of future performance and our actual financial condition, results of operations and cash flows, and the development of the industries in which we operate, may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this release. Due to such uncertainties and risks, undue reliance should not be placed on such forward-looking statements, which speak only as of the date this release.