

**PIZZAEXPRESS GROUP**

**FIRST HALF RESULTS 2015**

**For the 28 weeks ended 11 January 2015**

**Strong trading throughout the business**

9 March 2015

**Highlights**

- Turnover up 9.4% to £231m (H1 2014: £211m)
- Like-for-like sales ahead by 6.8%
- EBITDA margin up 130pts to 23.8%
- EBITDA up 15.8% to £55.0m (H1 2014: £47.5m)
- Strong cash generation of £47.2m free cash flow
- Eleven new restaurants opened in the UK and trading well
- New menu launched in the Autumn well received
- Strong performance in Retail, following launch of Romana pizzas in supermarkets
- Seven new sites opened internationally, in China and India

**Richard Hodgson, Chief Executive of PizzaExpress, commented:**

“Pizza Express has had a very strong first half in the 50<sup>th</sup> year since we were founded and following our acquisition by Hony Capital last year, with positive trading momentum in all areas of the business.

“Group turnover has grown by over 9% to £231 million driven by both a strong organic performance and the benefits of new openings. During the same period, we grew Group EBITDA by nearly 16% to £55 million.

“All of our key performance metrics are ahead of the same period last year. Like-for-like sales have grown by 6.8%, with the strong trading momentum in our first quarter continuing into the second quarter. Like-for-like growth was largely driven by an increase in covers with average spend per head also rising. We also benefited from a record Christmas trading period with LFL growth of 11.2% over the two key Christmas weeks. Overall, we are encouraged by the fact that our organic growth is tracking ahead of the overall casual dining market.

“The combination of sales growth and a focus on costs has led to an EBITDA margin of 23.8%, an improvement of 1.3 percentage points.

“In the UK, PizzaExpress is the leading casual dining brand with a broad appeal and an excellent competitive position. We have continued to innovate to ensure that we delight our customers. We launched a new menu in the Autumn which has been well received. We are also investing in future growth with eleven new restaurant openings in the first half.

“Our retail business, which comprises sales to the supermarket sector, is trading well ahead of last year. This has partly been driven by the successful launch of our Romana pizzas which offer the PizzaExpress experience at home. We were also the first major brand to enter chilled dressings.

“Our international operations are currently a small part of the group but represent an exciting opportunity to grow in emerging markets. The business is trading well with strong revenue growth being driven by new openings. During the first half, we opened five restaurants in China – one each in Hong Kong and Shenzhen and three in Shanghai – and two in India, in Delhi and Mumbai.

“PizzaExpress has a clear strategy to drive organic growth in our UK estate, continue the roll-out of sites both in the UK and internationally and to further develop our retail business. All of these strategic priorities remain on track.

“Life-for-likes in the first half benefited from a particularly strong Christmas. Given the tougher comparatives in the second half, we expect like-for-likes to be slightly lower than the exceptional performance in the year to date but remain confident of delivering a strong performance for the year as a whole.”

#### **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 500 restaurant globally and sells over 34 million pizzas in UK supermarkets every year
- To find out more visit [www.pizzaexpress.com](http://www.pizzaexpress.com)