



Results 2017

April 2018



AGENDA

BUSINESS EVOLUTION

ECONOMIC ENVIRONMENT

CONSOLIDATED KPI's

FINANCIAL STATEMENTS

SHARE EVOLUTION

OUTLOOK 2018

Who are we?



- Opened the first Pizza Hut in Portugal in 1990
- Listed in the Euronext Lisbon since 1997 (20th anniversary in 2017)
- 144 franchised units and operating directly 502 equity restaurants
 - Portugal 316
 - Spain 312
 - Angola 10
 - Itália 8
- We have more than 9.700 employees

Mission

- Ibersol is a multi brand operator in the restaurant business with a strong foothold in Iberia and a presence in Angola

Principles:

















- Quality, Food Safety and Environment
- Human Resources highly motivated and qualified
- Customer focus
- Proper Shareholder remuneration



BUSINESS EVOLUTION



The Brands

	Own		Franchised			
	Portugal	Spain	Portugal	Spain		
Restaurants	 Italian restaurant	 Mediterranean Buffet  Pizza Delivery	 Tapas  American Restaurant	 Restaurant and Delivery		
Counters	 Hamburger Gourmet and Street Food	 Sandwiches	 Sandwiches	 Hamburger	 Chicken Sandwiches and pieces	 Hamburger
Others	 Catering	 Catering	 Concessions in airports and motorways	 Airports concessions		



BUSINESS EVOLUTION

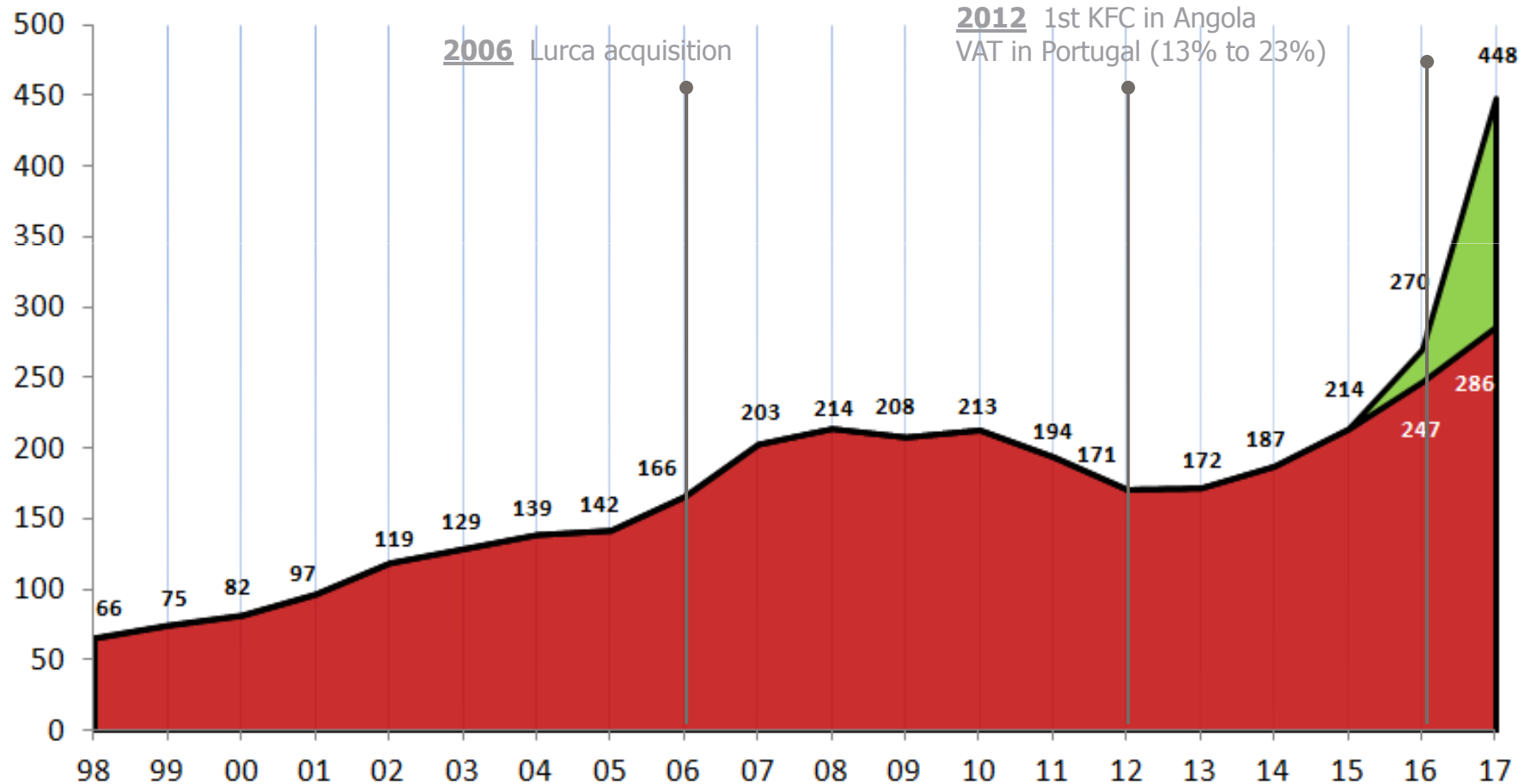


Activity

Average Yearly Growth = 10,6%

Turnover Evolution (€ Mio)

Nov 2016
EOG acquisition





BUSINESS EVOLUTION

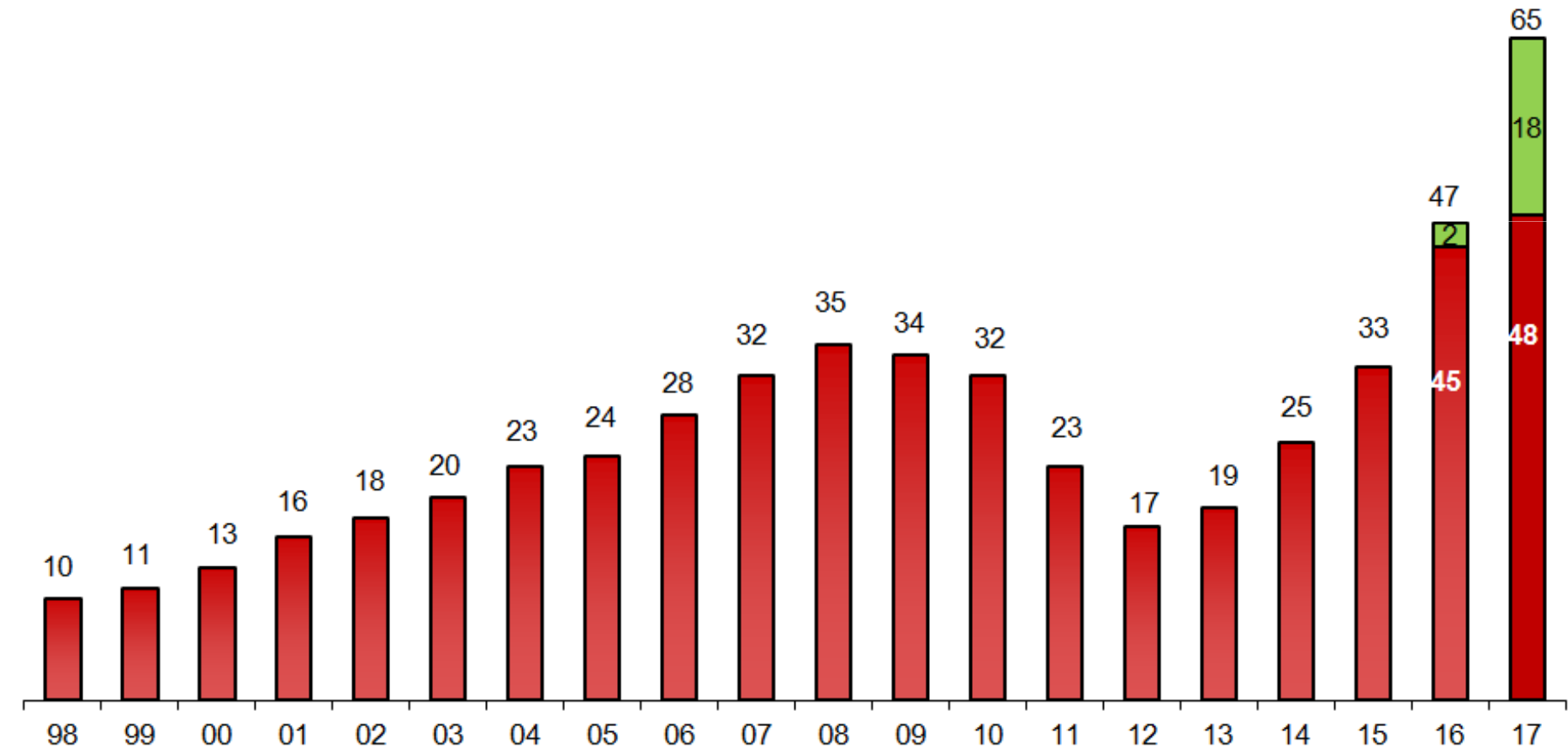


Activity

Average Yearly Growth = 10,4%

EBITDA Evolution (€ Mio)

EOG



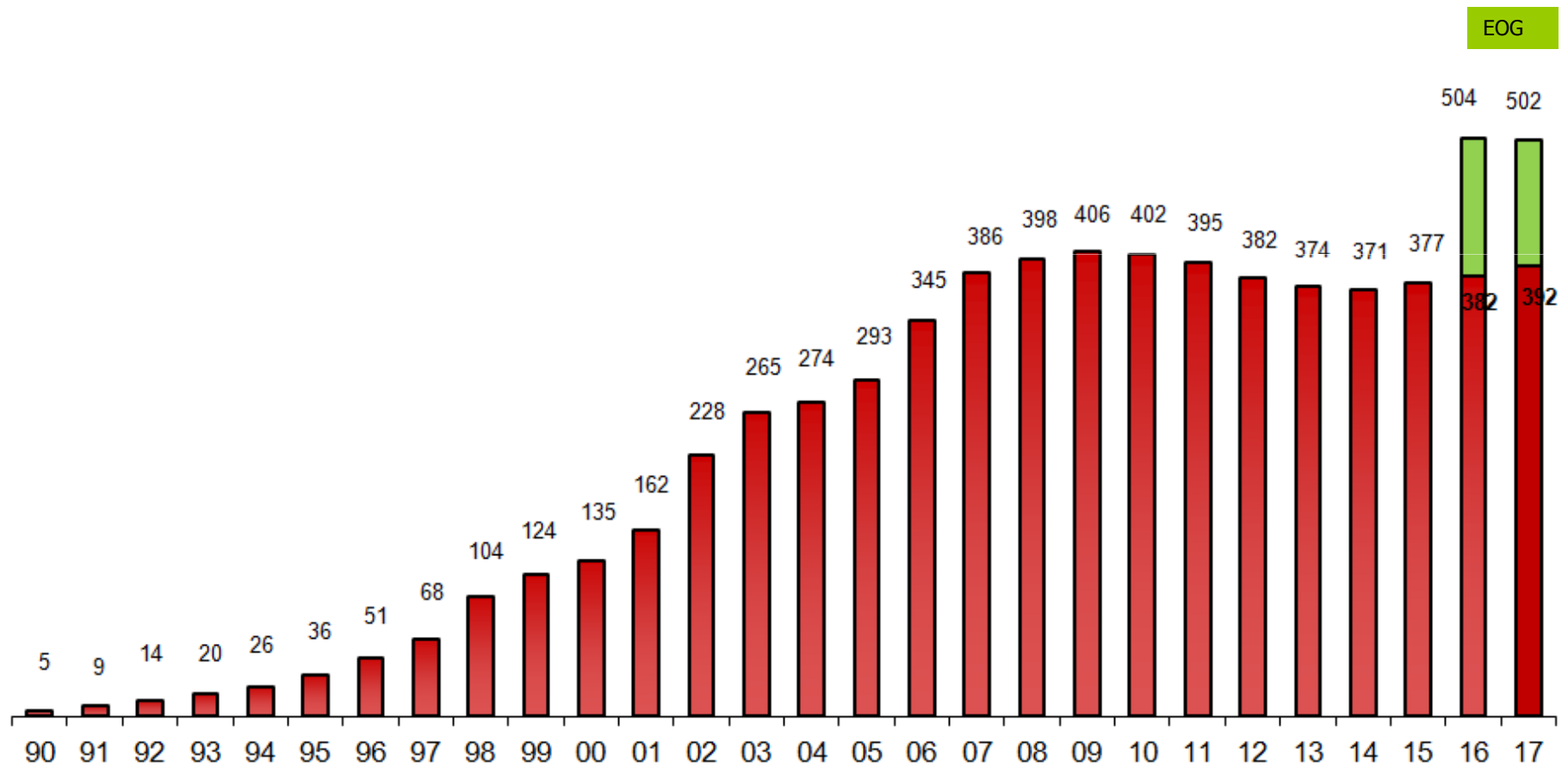


BUSINESS EVOLUTION



Activity

Number of Equity Restaurants (evolution)



Maintained the net increase of units without EOG operation.

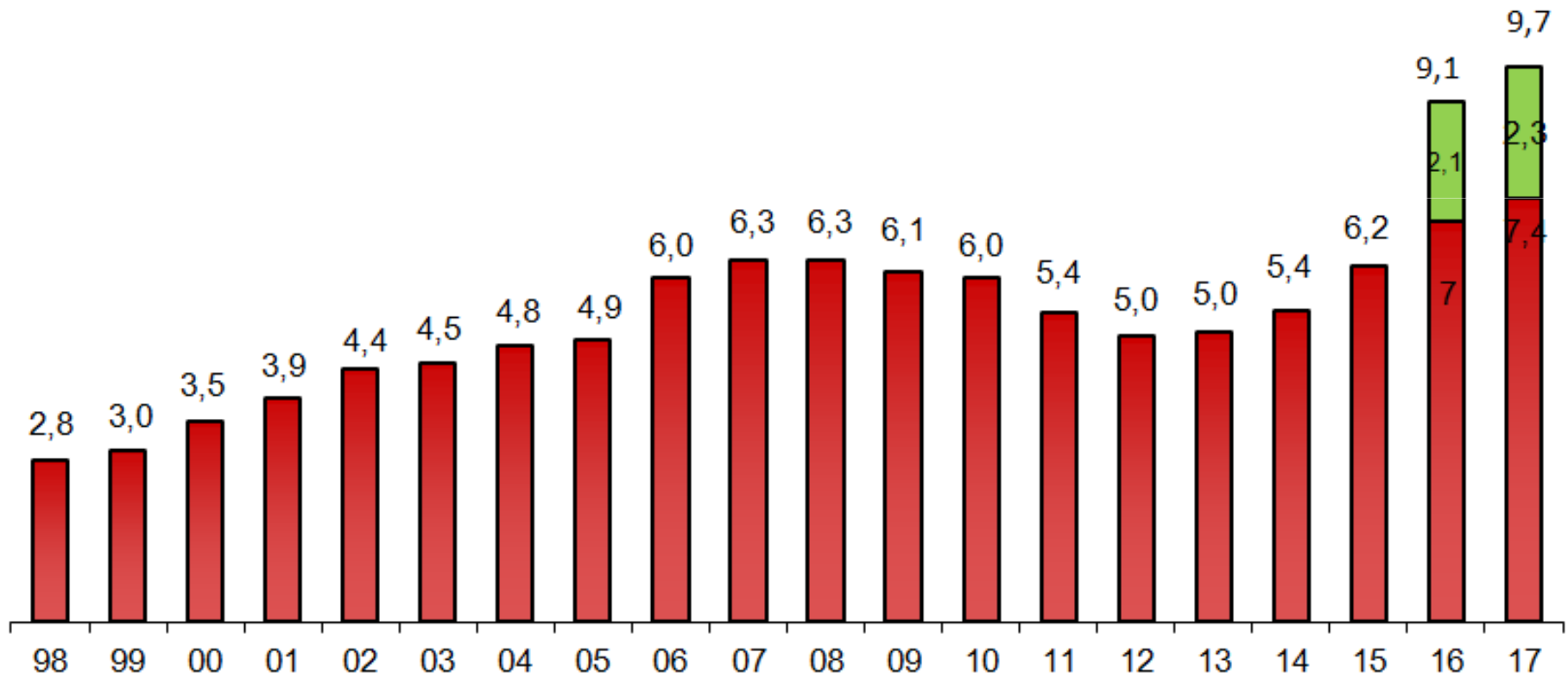


BUSINESS EVOLUTION



Activity

Number of Employees ('000)



Average yearly growth = 7%

ECONOMIC ENVIRONMENT

	PORTUGAL			ESPAÑA			ANGOLA		
	2015	2016	2017	2015	2016	2017	2015	2016	2017
GDP	1,6%	1,4%	2,9%	3,2%	3,2%	3,1%	3,0%	1,1%	1,1%
Unemployment Rate	12,4%	11,1%	8,1%	22,1%	19,6%	16,5%	26,4% *	26,6%*	20,0%*
Inflation Rate	0,5%	0,6%	1,4%	0,0%	1,6%	1,1%	14,3%	42,0%	31,7%

Sources: INE Portugal, INE Spain, BNAngola

* estimated

	PORTUGAL			
	1°Q 17	2°Q 17	3°Q 17	4°Q 17
GDP	2,8%	3,0%	2,5%	2,4%
Unemployment Rate	10,1%	8,8%	8,5%	8,1%
Private Consumption	2,4%	2,0%	2,6%	2,0%

In Iberia we had a positive evolution of employment and a GDP growth of around 3%. Inflation of 1,4% in Portugal and 1,1% in Spain.

Private consumption in Portugal, since the fourth quarter, shows a slowdown in growth compared with previous quarters.

In Angola there was again a high inflation level, which led to a sharp consumption decrease.

CONSOLIDATED KPI's

2017 Activity

RESTAURANTS



99,4 Mn euros
Sales
(+26,3%)

147
Units
(-3)

COUNTERS



204,0 Mn euros
Sales
(+36,0%)

234
Units
(+11)

TRAVEL & OTHERS



137,3 Mn euros
Sales
(+260%)

121
Units
(-10)

440,7 Mn euros
Consolidated Sales
(+65,2%)

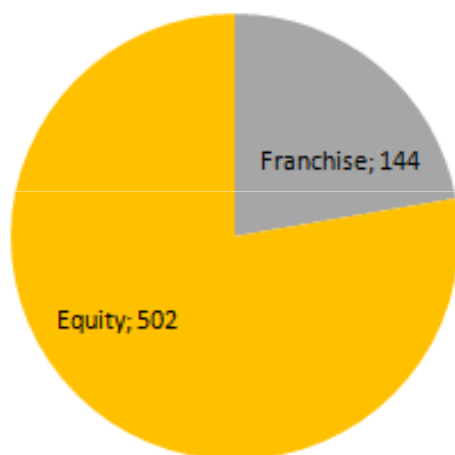
502
Units
(-2)

Eliminating the effect of the EOG incorporation, sales growth would have been 15,9%

CONSOLIDATED KPI's



2017 Activity



Nº of Restaurants	2016 31-Dec	Openings	Transfer	Closings	2017 31-Dec
PORTUGAL	307	18		9	316
Equity Restaurants	306	18		9	315
Pizza Hut	93	1		3	91
Okilo+MIIT	5			1	4
Pans+Roulotte	46	1		1	46
Burger King	66	11			77
KFC	18	4			22
Pasta Caffé	10			1	9
Quiosques	8				8
Coffee Shops	30			3	27
Catering	7				7
Concessions & Other	23	1			24
Franchise Restaurants	1				1
SPAIN	340	7		35	312
Equity Restaurants	188	1	0	12	177
Pizza Móvil	34		-3		31
Pizza Hut	0		3		3
Burger King	33				33
Pans	38		-1	2	35
Ribs	9				9
FrescoCo	3				3
Concessions	71	1	1	10	63
Franchise Restaurants	152	6		23	135
Pizza Móvil	16				16
Pans	67	2		11	58
Ribs	25	4		1	28
Fresco	8				8
SantaMaria	36			11	25
ANGOLA	10				10
KFC	9				9
Pizza Hut	1				1
Other Locations - Franchise Restaurants	10			2	8
FrescoCo India	2			2	0
Pans Italy	8				8
Total Equity Restaurants	504	19	0	21	502
Total Franchise Restaurants	163	6	0	25	144
TOTAL	667	25	0	46	646

At the end of the year Ibersol operated 315 equity restaurants in Portugal, 177 in Spain and 10 in Angola.

Relevant Facts

Economic Environment

- In Iberia the growth dynamic has impacted the Group results. However, in Angola there has been a reversal of the growth trend in the second quarter.

Portfolio Readjustment

- Maintenance of remodeling, opening and portfolio evaluation program.
- Energy concentrated in the Eat Out Group integration.

Focus on the Operations

- A bet on the employees, engine of the success of Ibersol Group, through continuous training programs.

PROFIT & LOSS ACCOUNT

	2017		2016		Var.
	€ Mn	%	€ Mn	%	%
Turnover	448,3		269,8		66,2%
Gross Margin	345,5	77,1%	205,3	76,1%	68,3%
Costs of Labour	135,3	30,2%	80,0	29,6%	69,2%
Operating Costs	149,5	33,3%	83,9	31,1%	78,2%
Other Operating Income	9,8	2,2%	9,1	3,4%	7,6%
Operating Costs	5,2	1,2%	3,4	1,3%	51,5%
EBITDA	65,3	14,6%	47,1	17,5%	38,6%
Depreciations	31,9	7,1%	16,8	6,2%	90,3%
EBIT	33,4	7,4%	30,3	11,2%	10,0%
Financial Results	5,4	1,2%	1,2	0,4%	351,5%
Gain (loss) on the net monetary position	6,0	1,3%	0,0	0,0%	
Profit before taxes	33,9	7,6%	29,1	10,8%	16,5%
Taxes	2,7	0,6%	5,8	2,2%	-53,7%
Net Profit	31,2	7,0%	23,3	8,6%	34,1%

✓ Turnover of 448.3 million euros + 66.2% vs 2016.

✓ EBITDA reached 65.3 million euros + 38.6% vs 2016

✓ Gain of 6 million euros on the net monetary position - IAS29 (Hyperinflationary Economies)

✓ Tax credits arising from 3 million euros of investment

✓ Net profit of 31.2 million euros + 34.1% vs 2016

PROFIT & LOSS ACCOUNT ADJUSTED

	17 Adj.		16 Adj.		Var.
	€ Mn	%	€ Mn	%	%
Turnover	286,2		246,9		15,9%
<i>Gross Margin</i>	216,4	75,6%	188,2	76,2%	15,0%
<i>Costs of Labour</i>	82,9	29,0%	71,7	29,0%	15,6%
<i>Operating Costs</i>	85,5	29,9%	74,7	30,2%	14,6%
<i>Other Operating Income</i>	3,0	1,1%	3,8	1,5%	-20,2%
<i>Operating Costs</i>	3,2	1,1%	3,3	1,3%	-2,2%
EBITDA	47,7	16,7%	42,3	17,1%	12,7%
<i>Depreciations</i>	18,6	6,5%	14,8	6,0%	25,6%
EBIT	29,1	10,2%	27,5	11,1%	5,8%
<i>Financial Results</i>	4,2	1,5%	2,4	1,0%	73,5%
<i>Gain (loss) on the net monetary position</i>	6,0	2,1%	0,0	0,0%	
Profit before taxes	30,9	10,8%	25,1	10,2%	23,1%
<i>Taxes</i>	1,5	0,5%	4,7	1,9%	-68,5%
Net Profit	29,4	10,3%	20,4	8,3%	44,3%

✓ Turnover without EOG of 286.2 million euros
+ 15.9% vs 2016.

✓ EBITDA without EOG of 47.7 million euros
+ 12.7% vs 2016

✓ Depreciation increase of 1,6 million euros due to the application of IAS29 (*Hyperinflationary Economies*) to Angola assets.

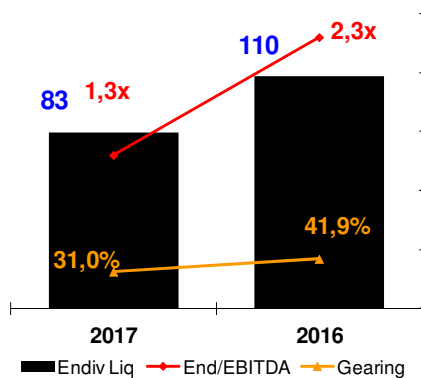
✓ Net profit without EOG of 29.4 million euros
+ 44.3% vs 2016

2017 Adj. – without Eat Out Group contribution

2016 Adj. – without Eat Out Group (2 months) and the non-recurring effects of the Scuts-compensation in 2016

BALANCE SHEET

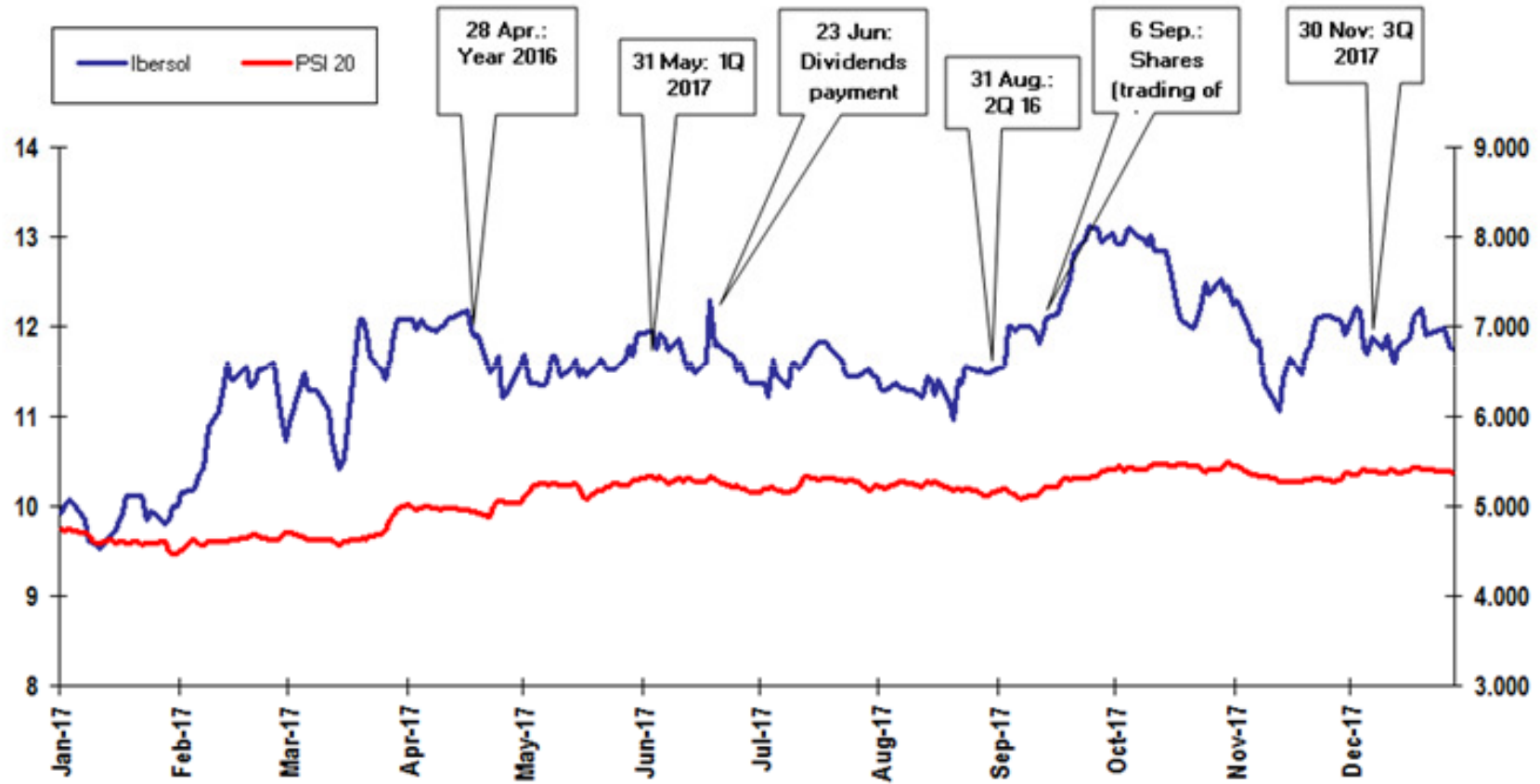
€ Mn	2017	2016	Var. %
Net Assets	437	421	3,7%
Intangible Assets	128	130	-1,3%
Tangible Assets	198	178	11,2%
Others	111	113	-2,2%
Equity	189	152	24,2%
Group Share	158	129	22,6%
Net Result	31	23	32,7%
Liabilities	248	269	-7,8%
MLT	108	131	-17,3%
ST	101	104	-2,9%
Others	39	34	13,9%
<hr/>			
Investment	34	31	
Interests Ratio	15x	21x	



- ✓ Assets increase of 3,7% and a liabilities decrease (-7,8%)
- ✓ Investment achieved € 33,5 Mn with € 10,2 Mn in refurbishments
- ✓ Expansion (€ 18,2 Mn) has been focused in drive-through and in line restaurants with investments and average sales higher than the existing units.
- ✓ Net debt decreased € 26,4 Mn to € 83,4 Mn
- ✓ Gearing reduced to 31% (42% in 2016)
- ✓ Interest cover: 15x



SHARE EVOLUTION



Share price adjusted to take in consideration the bonus issue.

SHARE EVOLUTION



Stocks Statistics IBERSOL, SGPS, S.A. - YEAR 2017				
<i>(Values in EUR)</i>				
Total shares	30.000.000	Lowest price (12 Jan 17)	9,52	
Free Float	27.000.062	Highest price (25 Sep 17)	13,12	
Treasury stock	2.999.938	10,0%	Average quotation	11,40
Stock Market Capitalization (29 Dec 17)	364.500.000	Opening price (2 Jan 17)	9,92	
Average transactions 2017	11.705	Closing price (29 Dec 17)	12,15	
Average transactions 2016	10.078	Share price variation	22,5%	
		PSI-20 variation	15,2%	

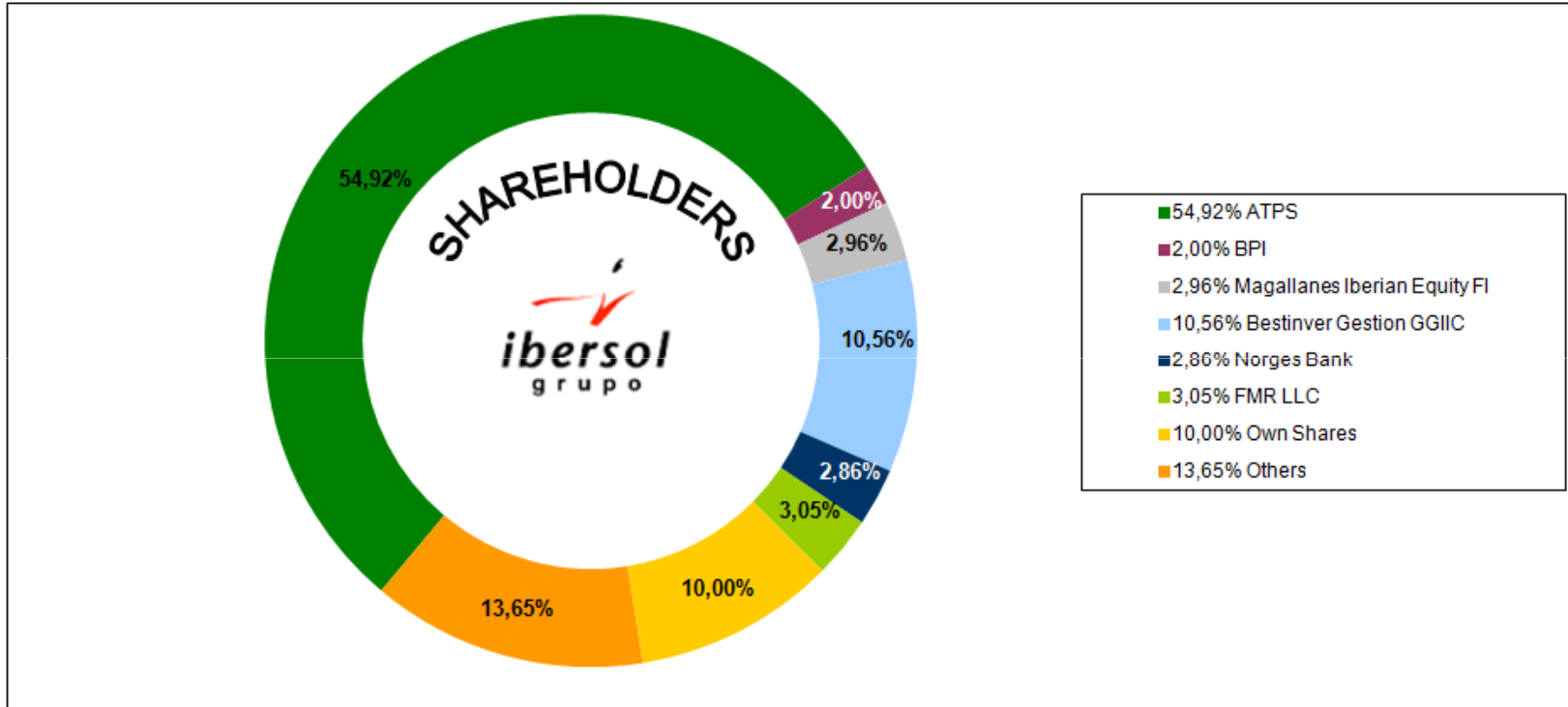
Price per share has increased 22,5%. PSI-20 index increased 15,2%

Dividends – € 0,10 per share (vs € 0,10 in 2016)

Share Capital increase through incorporation of reserves from 24 to 30 million with one share for each existing four



SHAREHOLDERS



Iberia

- In Portugal is expected to remain the sales trend of the last quarter, while in Spain the growth will be more moderate.
- In the first semester is expected that will take place the tender for the allocation of restaurants at Malaga airport.
- Also in Spain, the process of gradual transfer of restaurant operations from Barcelona airport will take place. After the final tender in February 2018, 4 sets were allocated to Pansfood, which represents a 39.21% share, that allowed to keep the position of the main restaurant operator at this airport.
- It is expected to maintain the level of new stores opening as in previous years.

Angola

- The strong depreciation of AKZ is leading to a global price increase, which will result in a drop of the consumption and an inability to raise prices at the devaluation pace. The profitability of our operations will be greatly reduced.