

Grupo Zena Acquisition

August 7th 2014



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Agenda

- I. Transaction Rationale
- II. Brief Transaction Overview
- III. Grupo Zena, Leading Platform for Further Growth in Existing Business
- IV. Aalsea Continues Creating Value for its Shareholders



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I. Transaction Rationale



Strong Rationale Seeking Long Term Core Business Growth



- **Acquisition that provides market expansion with potential to further increase growth**
 - Important size company, with economies of scale to enter a new market that has growth potential
 - Entry into the European market through the leading operator in a large market with a fragmented structure
- **Expand Alsea's Core Business**
 - Revenue base mainly contributed by Burger King and Domino's Pizza, brands that Alsea operates
 - Well-known industry, Alsea has extensive experience, successfully operating restaurants
- **Experienced and motivated management team**
 - Over 40 years in the Spanish food service restaurant Industry
 - Leader operator managing leading brands
 - No management turnover in the last 6 years
 - Strong management with a proven and successful track record fully committed to further develop the business
- **Financial and operational improvements**
 - Alsea know how in existing business and strategy for Zena is expected to result in margins expansion
 - Increase in profitability by the implementation of best practices from Alsea's business model
 - Free cash flow generation that will not distract additional resources to meet the business growth plan
- **Accretive transaction that creates value for Alsea's shareholders**
 - EPS accretive transaction for Alsea's shareholders
 - Reasonable valuation of 8.1x

II. Brief Transaction Overview



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Transaction Overview



Transaction

- Alsea has reached a definite agreement with CVC Capital Partners to acquire a majority stake in Grupo Zena
- CVC Capital Partners sells its 72% stake to Alsea whereas Alia Capital will remain with its 28% stake
- The Transaction includes: (i) The operation of 427 restaurants, (ii) 4 owned brands, (iii) Domino's Pizza's Spanish Master Franchise, (iv) Burger King Franchisee, (v) 2 industrial kitchens and intellectual property rights

Grupo Zena

- Spanish leading multi-format restaurant company
- One of the most prestigious and well regarded company in the Spanish sector with over 40 years of solid track record
- Currently operates 427 restaurants throughout Spain
- Experienced management team with a proven and successful track record
- June LTM Revenue and EBITDA of EUR 264 mm and EUR 32 mm, respectively

Transaction Overview (Cont'd)



Purchase Price

- Acquisition of a 72% equity stake for EUR 107 mm
 - Implied Enterprise Value of EUR 260 mm
 - Implied 8.1x LTM EV/EBITDA multiple
 - NFD as of June of EUR 111 mm

Funding

- Alsea will finance the Equity Purchase Price with a MXP1,900 mm peso-denominated loan
- Alsea will look for opportunities to improve the financial debt terms and conditions of the existing debt at Grupo Zena
- Financing already fully committed by BBVA Bancomer
- Post acquisition leverage of 3.2x at June 2014

Timing

- Closing is expected following customary authorizations (Domino's Pizza & Burger King)
- Expected closing: beginning of 4Q14

III. Grupo Zena, Leading Platform for Further Growth in Existing Business



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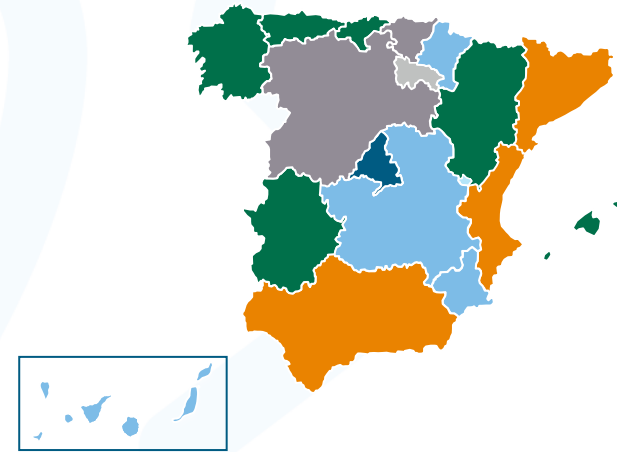


Leading Spanish Operator - Grupo Zena Overview

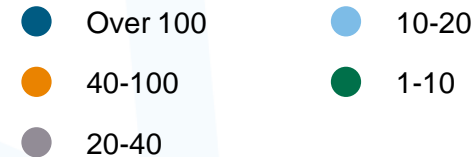
Company Overview

- Established in 1971, Grupo Zena is the leading operator of multi-brand restaurants in Spain with 427 restaurants under 6 brands
- Grupo Zena owns 4 brands, is franchisee of Burger King, and is the holder of Domino's Pizza's Spanish Master Franchise. Owned brands includes:
 - Foster's Hollywood 195 units
 - Cañas y Tapas 21 units
 - La Vaca Argentina 13 units
 - Il Tempietto 11 units
- Grupo Zena is geographically diversified with presence in 16 Spanish regions
- Grupo Zena operates two industrial kitchens and a fresh dough manufacturing facility for its Domino's Pizza business
- Distribution is outsourced to a Logistics operator
- Workforce of ~6,700 employees, most of them under flexible hourly based contracts
- The Company has shown positive revenue growth over the last years.
 - High single digit top line growth in the 1H14, compared to the same period of the previous year
 - Mid single digit growth in same store sales during 1H14

Geographic Footprint









of stores / franchises per region



Attractive and Well Positioned Brand Portfolio

Key Operating Statistics by Format (June 2014)

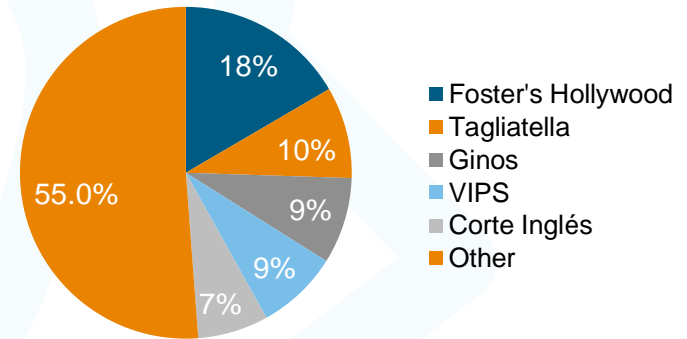
							TOTAL
Concept	American food casual dining	Global QSR pizza chain	Global QSR burger chain	Steakhouse casual dining	Spanish casual dining	Italian casual dining	
Market Position	#1	#2	#2	#1	#3	#3	
# Units	195	127	60	13	21	11	427
Average Sales per Unit (EUR 'm) ⁽¹⁾	1.3	0.6	1.1	0.9	0.7	0.5	0.9

Zena Brands are Well Positioned in its Market Segments

Casual Dining Market in Spain

- Market value: EUR 2.5 bn
- 234 million customers with average ticket of EUR c.11
- Key players: Foster's Hollywood (195 units), Tagliatella (105), Ginos (99), VIPS (94) and ECI (81)
- American food segment has positively performed in relative terms during the Spanish economic downturn
- Fragmented competitive landscape may represent a consolidation opportunity

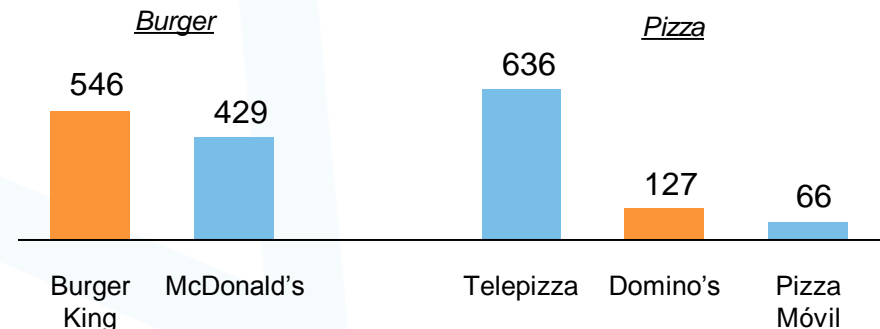
Chain Casual Dining Market Share (Spain, in Units)



QSR Market in Spain

- Market Value: EUR 2.3 bn
- 461 million customers with average ticket of EUR c.5
- Key players: Telepizza (636 units), Burger King (546 units), McDonald's (429), 100 Montaditos (221), Pans & Company (181) and Domino's (127)
- Fragmented competitive landscape may represent a consolidation opportunity

QSR Main Operators per Relevant Segment (Spain, Units)



Existing Value Creation Opportunities

Strategy for Long Term Profitable Growth

- ✓ New Openings Strategy
- ✓ Potential to consolidate a fragmented market
- ✓ Restructure Non-Profitable Units
- ✓ Margin Enhancements
 - Increase Foot-traffic
 - Increase average ticket
 - Potential to negotiate leases
 - Labor productivity
 - Opening of Industrial Kitchen



IV. Aalsea Continues Creating Value for its Shareholders



Accretive from different perspectives

Valuation and EPS Impact

- ✓ Attractive valuation in terms of EV/LTM EBITDA multiple:
 - Paid multiple 8.1x EV/LTM EBITDA
 - Below Alsea's current multiple
 - Below of 9.0x paid for similar transactions in Spain over the last 9 years

- ✓ Accretive in terms of EPS:
 - Estimated close to 10% EPS growth during last twelve months

Selected Financial Figures (pro forma June 2014 LTM)¹

- ✓ New business represents a growth of :
 - 21% of Revenue
 - 20% of EBITDA

- ✓ Alsea actual financial capacity allows to fund the acquisition of 100% debt without the need of incremental equity

- ✓ Post-closing Total Debt/EBITDA ratio of ~3.2x

- ✓ Free cash flow positive even when accelerating organic growth plan

(1) Includes LTM figures of VIPs and Grupo Zena

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