



EL PORTÓN



Alsea 



LAVACA

Our Presence

14 Brands

79% Corporate

21% Franchises

3,438
units

 72,434
employees

  437
millions
clients served



2,346
Mexico



549
Spain



235
Argentina



154
Colombia

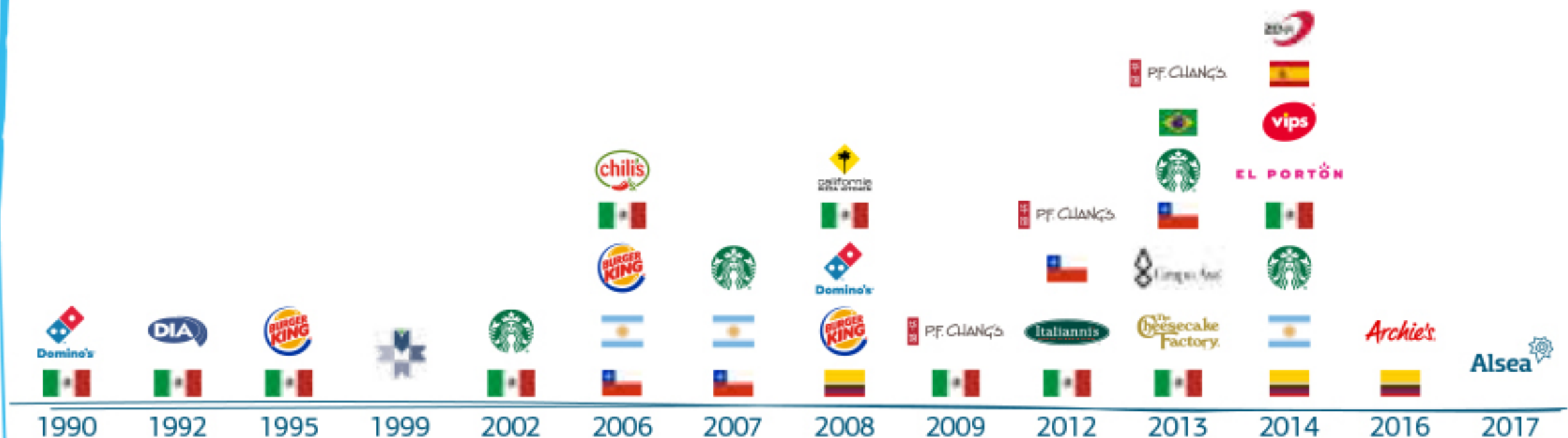


150
Chile



4
Brazil

Alsea's History



1 → 500 → 1,000 → 1,862 → 2,714 → 3,195 → 3,438

Launch

Business Model

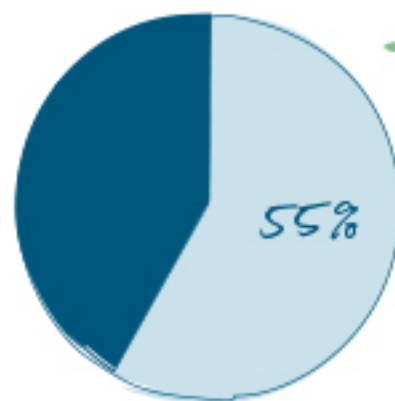
Expansion

Consolidation

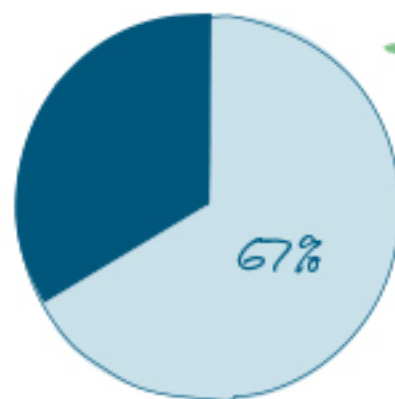
Alsea Mexico - Today

Stores	Corporate	Franchises	Total
 Domino's	435	266	701
 Starbucks	645		645
 Burger King	205	247	452
 Chili's	64		64
 California Pizza Kitchen	18	2	20
 P.F. CHANG'S	25		25
 Italianni's	81	13	94
 Vips	270	5	275
 EL PORTÓN	67		67
 Cheesecake Factory	3		3
Total	1,813	533	2,346

Alsea Mexico

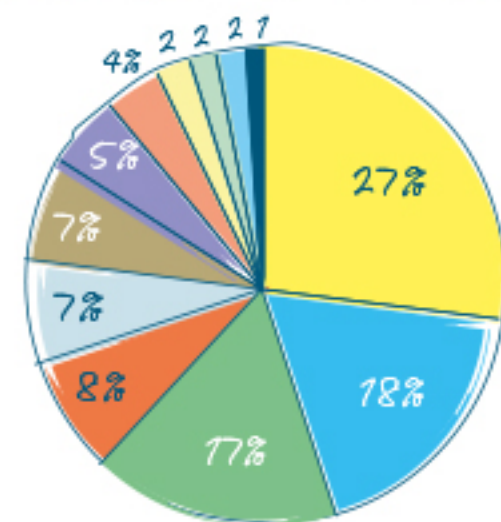


55%
Sales
Share



67%
EBITDA
Share

Employees



- Vips
- Domino's
- Starbucks
- Italianni's
- Burger King
- Chili's
- El Portón
- DIA
- P.F. CHANG'S
- California Pizza Kitchen
- Alsea
- The Cheesecake Factory

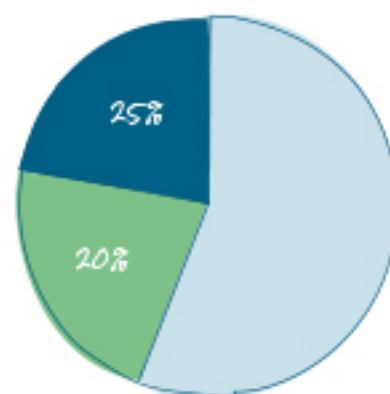
Alsea International - Today

Stores	Corporate	Franchises	Total
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	270	44	314
	256		256
	224		224
	10		10
	94	136	230
	8	9	17
LAVACA	6		6
Archie's	33		33
Total	903	189	1,092

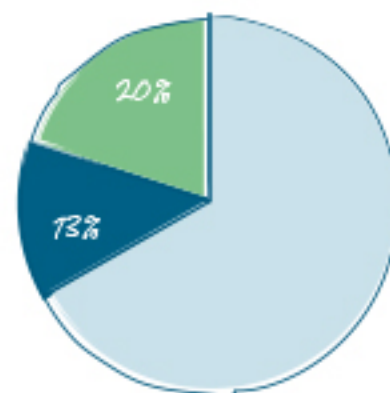
Alsea International

45%
Sales
Share

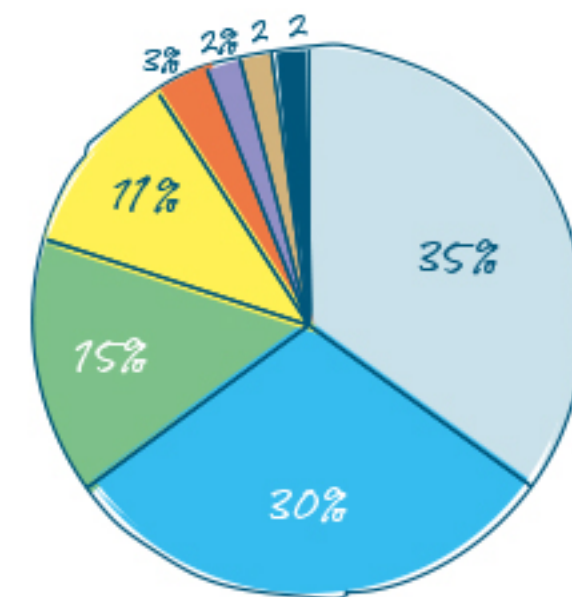


Spain
South America

33%
EBITDA
Share



Employees

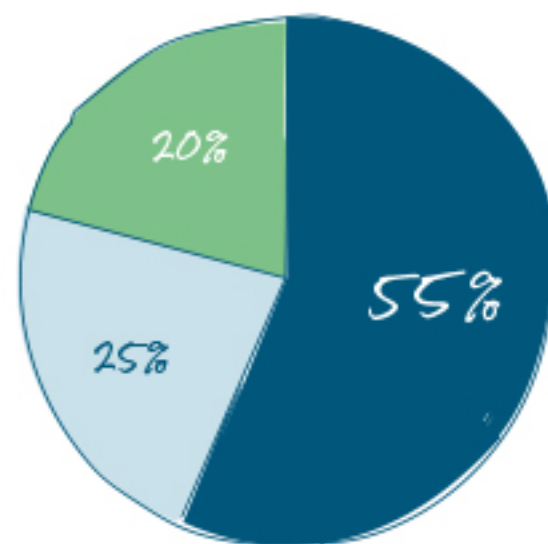


Burger King
Domino's
Starbucks
Foster's Hollywood
Archie's
P.F. CHANG'S
Alsea
Other

Alsea - Today

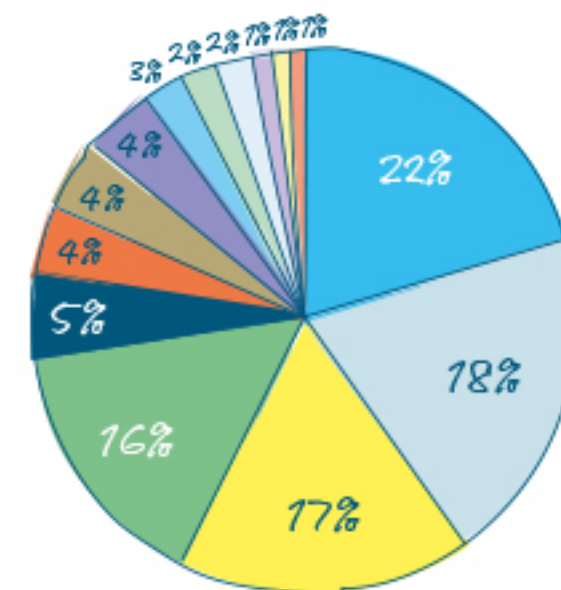
Stores	Corporate	Franchises	Total
 Domino's	705	310	1,015
 Starbucks	901		901
 Burger King	430	247	677
 Vips	270	5	275
 Archie's	94	136	230
 Chili's	65		65
 Italianni's	81	13	94
EL PORTÓN	67		67
 P.F. CHANG'S	35		35
 Archie's	33		33
 California Pizza Kitchen	18	2	20
 Cheesecake Factory	3		3
 Cañas y Tapas	8	9	17
LAVACA	6		6
Total	2,716	722	3,438

Sales per geography



 Mexico
 South America
 Spain

Employees



 Domino's
 Burger King
 Vips
 Starbucks
 Italianni's
 Foster's Hollywood
 Chili's
 El Portón
 Supply
 P.F. CHANG'S
 Alsea
 Archie's
 California Pizza Kitchen
 Other

Innovation - Consumer - Technology

Multi-brand Rewards program



- Description / Objective: **know your customer**
- Reach: **1st stage - Mexico**



+1,000,000
registered users

Approximately



35% increase
in average ticket

More than



1,350
Restaurants on board

Wow is in



6% of Alsea
Mexico sales

Apps

My Starbucks Rewards
around **7.2**
Million members



Domino's App
more than **1.7**
Million downloads



Alsea

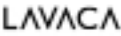


Strategy



4Q17

Strategic Definitions

Purpose	Ignite people's spirit				
Value Proposition	We are a determined community committed to excellence and integrity, we maximize synergies to deliver a surprising offer to our Guests and to make sure that our Restaurants generate extraordinary results, contributing with happiness doses even in the smallest details, to fulfill our purpose of igniting people's spirit.				
Brands	 Domino's 	 	 	  	   
Alsea's Culture	 Winning Attitude	 Engaged Leadership	 Surprising Service	 Collaborative Spirit	 Attention to Detail
Focused on deep knowledge and an exceptional GUEST experience					
Way to Win	Brand Portfolio	Best Talent	Best Operator	Marketing	
		Technology and Innovation	Synergy and Critical Mass	Sustainability	

Markets

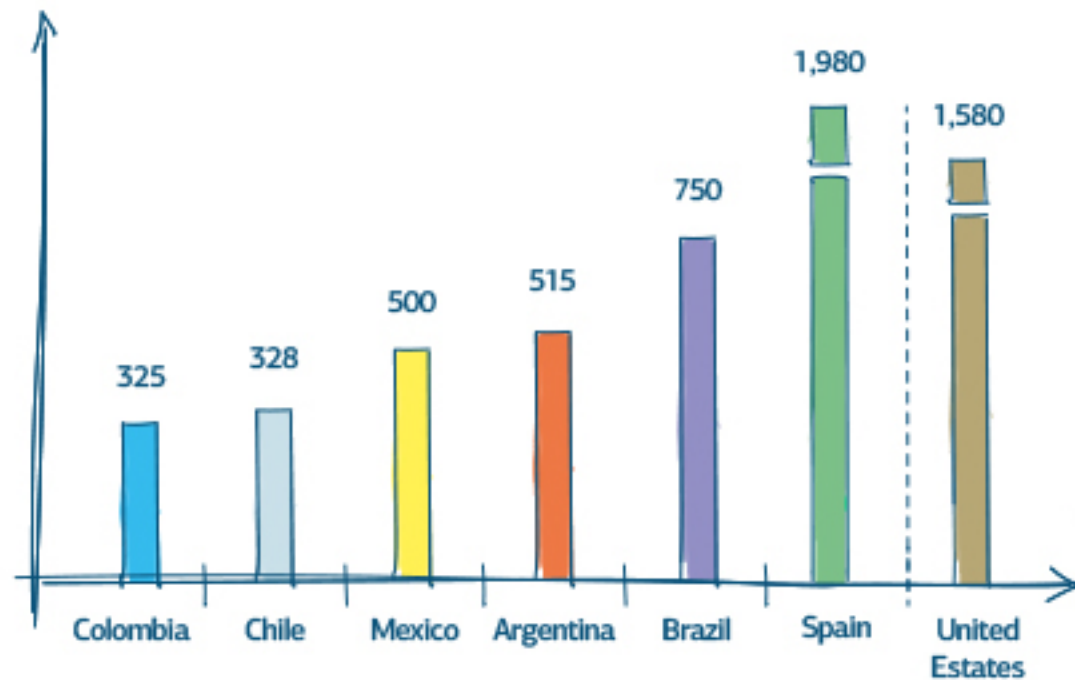
Actual Market
3,438
units

Population
497
million

GDP USD
5,149
billion

437
million
Clients
*served as of
Dec 17 LTM*

Per-Capita Expense | Food Service Industry (Figures in usd)



Diversified Portfolio

Popular Segments	A/B	C+	C	C-/D+	D/E
Starbucks					
Burger King					
Dominick's					
vips					
McDonald's					
Chili's					
Italianix					
EL PORTÓN					
P.F. Chang's					
California Pizza Kitchen					
Cheesecake Factory					
LAVACA					
Cañes y Tapas					
Archie's					

Served by the informal sector

Growth Strategy



Growth

Organic Growth

+

Acquisitions

- SSS
- Store Openings
- New Brands
- New Markets

- New Brands
- Franchises & Sub-franchises
- Existing Brands
- New Markets



Margin expansions

Operating Leverage

+

Business Mix

+

Operating Efficiencies

- SSS
- Units

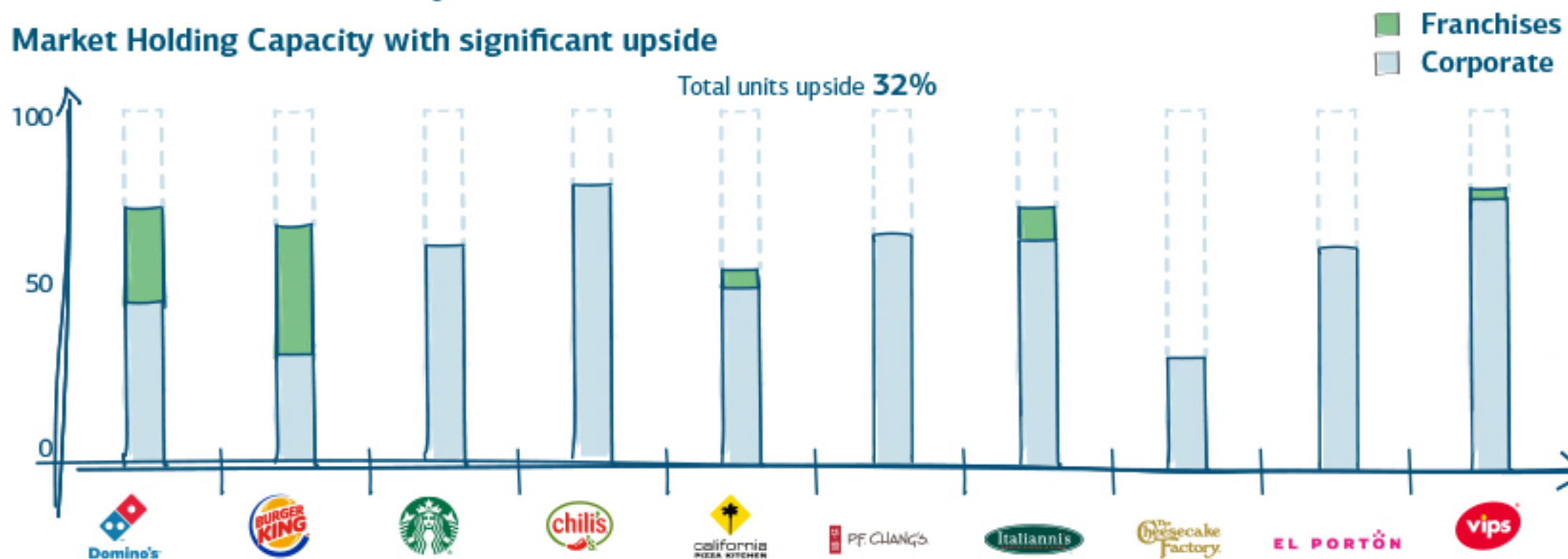
- Corporate
- Franchised
- Sub-franchised
- Brands
- Segments
- Geographies

- Cost of Sales
- Pricing Strategy
- Expenses
- Synergies
- Best practices

Solid Business Plan + **Great** Execution = **Formula for Success**

Mexico Strategy

Market Holding Capacity with significant upside



100-110
Openings

2018e

Domino's

30-35

Burger King

-

Starbucks

50-55

Chili's

5-7

California Pizza Kitchen

1

PF Chang's

1

Italianni's

2-5

Cheesecake Factory

-

EL PORTÓN

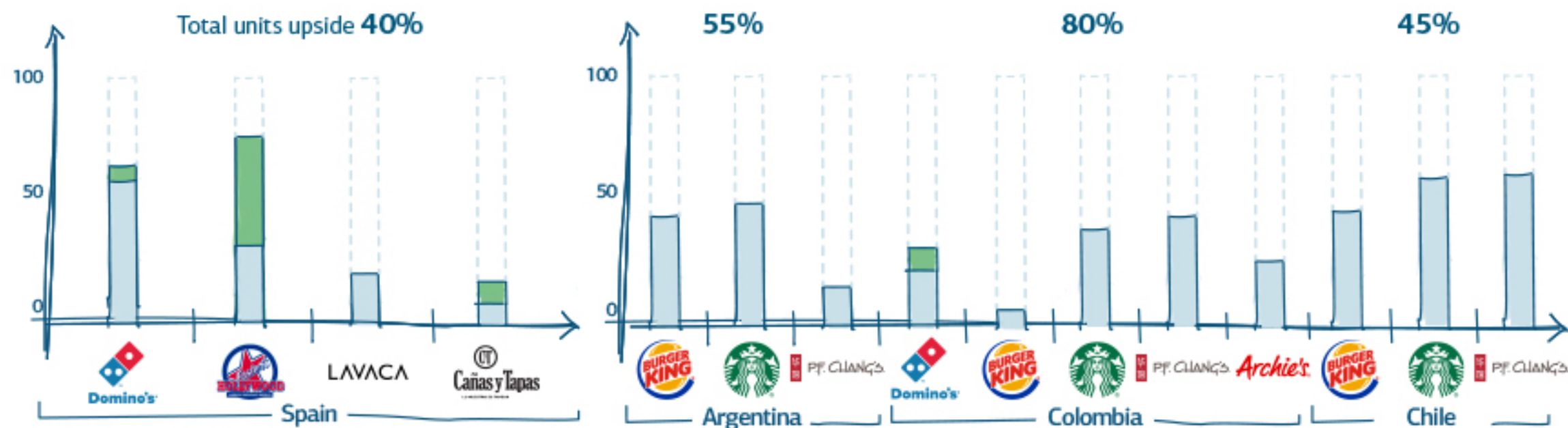
2

Vips

12-15

International Strategy

Market Holding Capacity with significant upside



90-100

Openings

2018e



Argentina

20-25



Chile

15-20



Colombia

12-15



Brazil

1



Spain

35-40

4 Delivery Distribution Centers in Mexico



Note: Does not include the distribution centers for Burger King (448 stores).

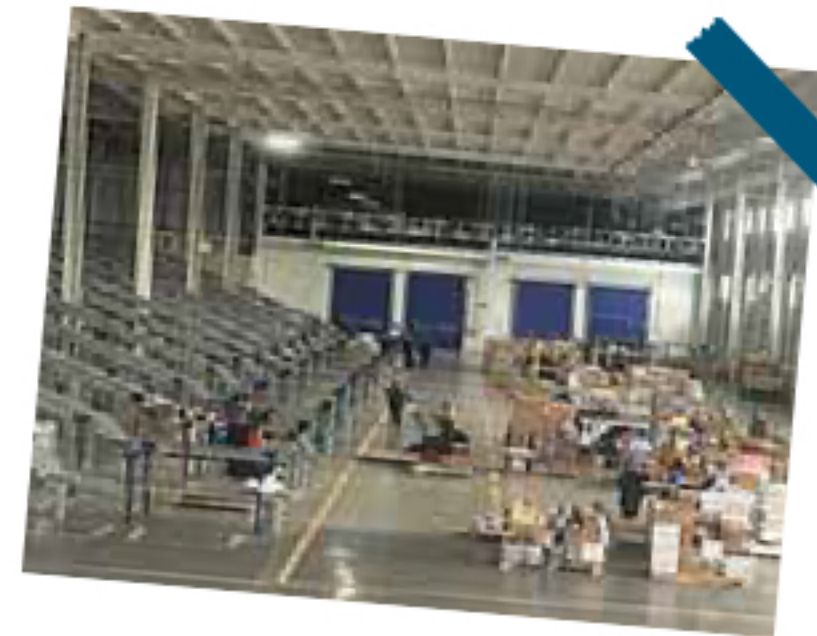
Alsea Operations Center (COA)

Centralized operation in Mexico City and surroundings

Warehouses + Bakery + Commissary + Mass production + Offices



Total Land
74,500 m²
with 46,000 m² built
+50 docks



17,228
Rack position

10,004
Warehouse

1,761
Refrigerated

5,463
Frozen



Alsea 

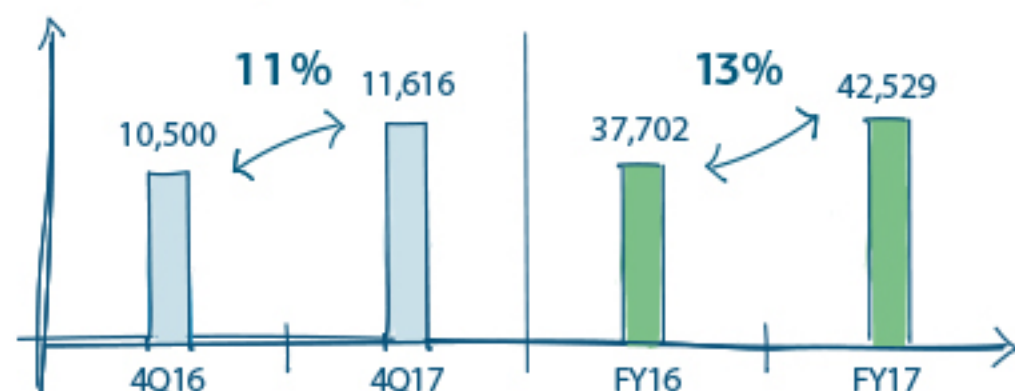


4Q17

Consolidated Results

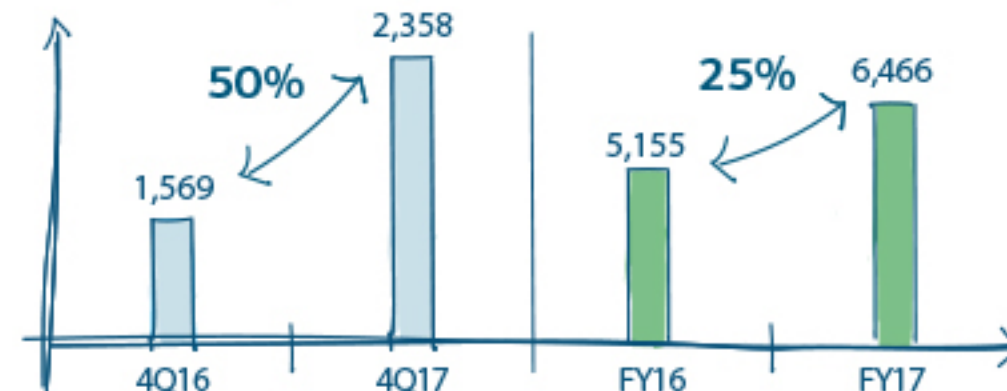
Sales

CAGR 28% ('13-'17)



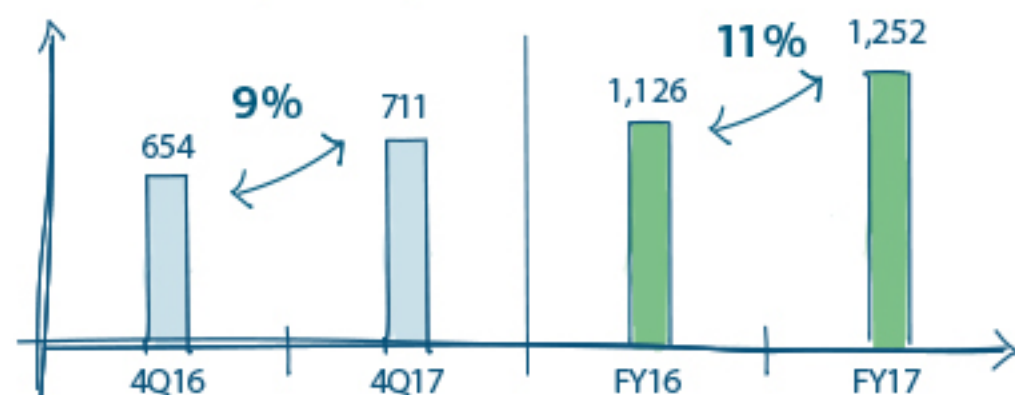
EBITDA

CAGR 33% ('13-'17)

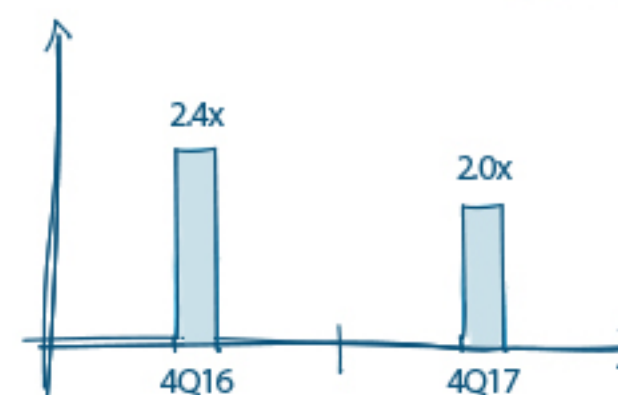


Net Ordinary Income

CAGR 17% ('13-'17)

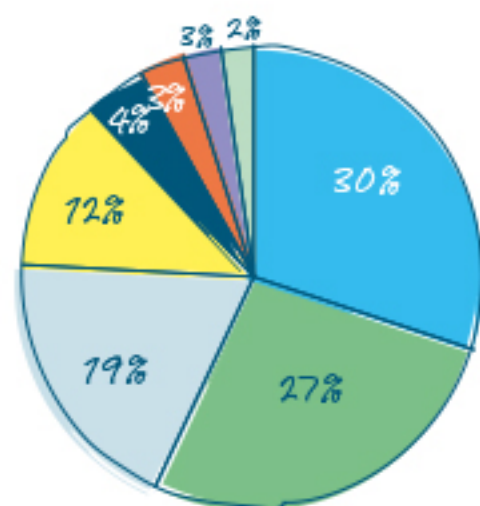


Net Debt / EBITDA

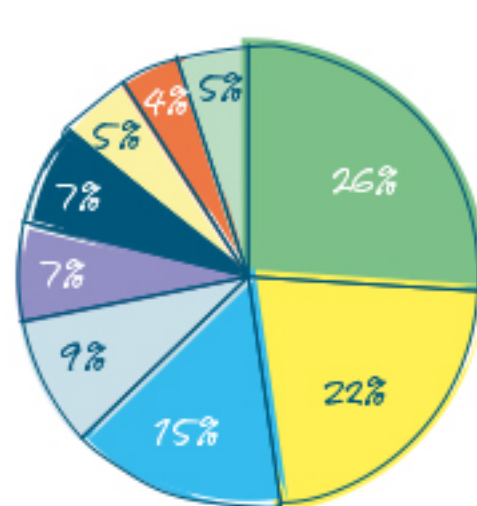


Sales, EBITDA and Net Ordinary Income figures in million pesos

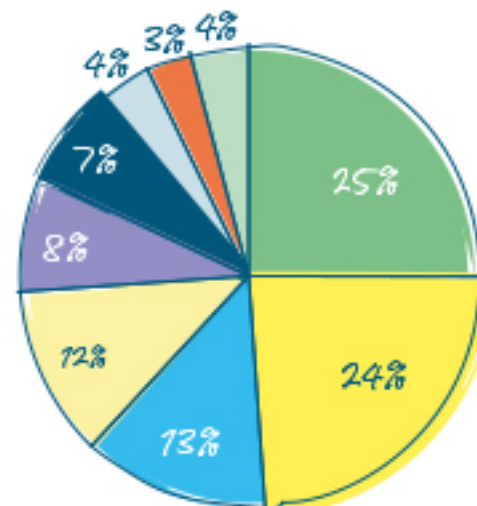
Business Overview - Mexico



Units



Sales*

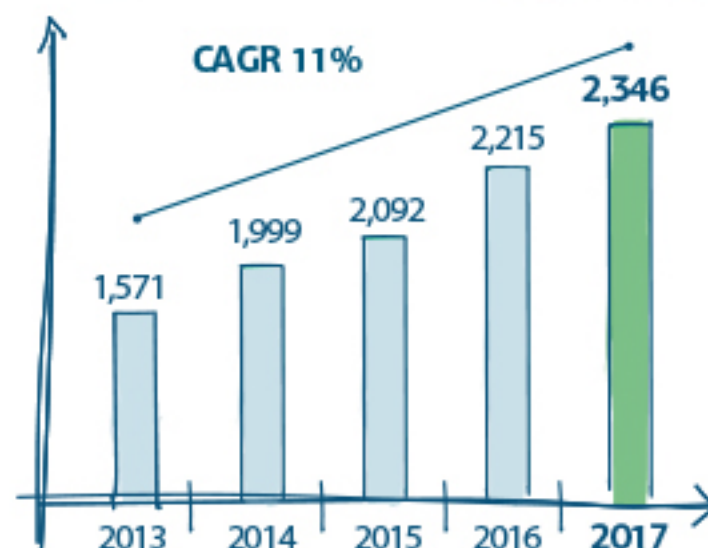


Adjusted EBITDA*



*Quarterly share figures for sales and Adjusted EBITDA
 **P.F. Chang's, The Cheesecake Factory, California Pizza Kitchen

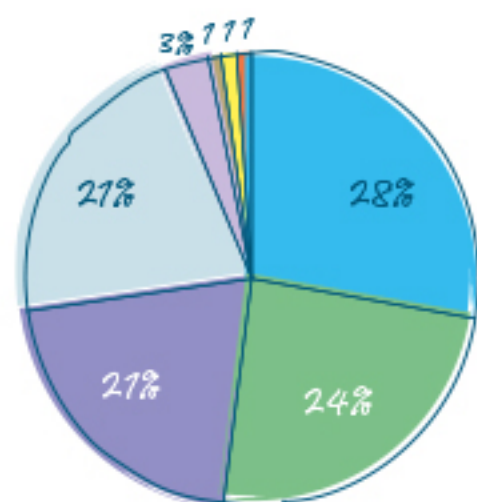
Total Stores



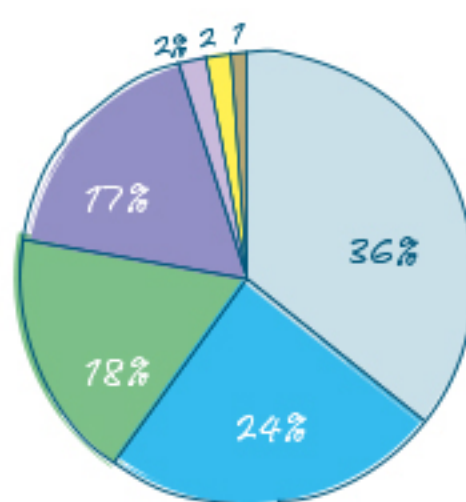
Results	4Q17	12m Dec17
SSS	3.9%	3.1%
Revenues	\$6,382	\$23,676
Adjusted EBITDA	\$1,656	\$5,608
Margin	26.0%	23.7%

Adjusted EBITDA and Revenues figures in million pesos

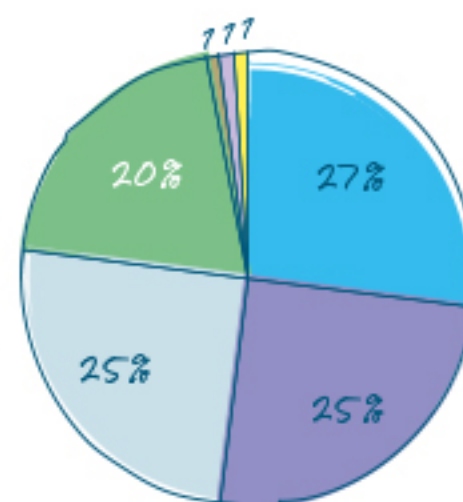
Business Overview - International



Units



Sales*



Adjusted EBITDA*

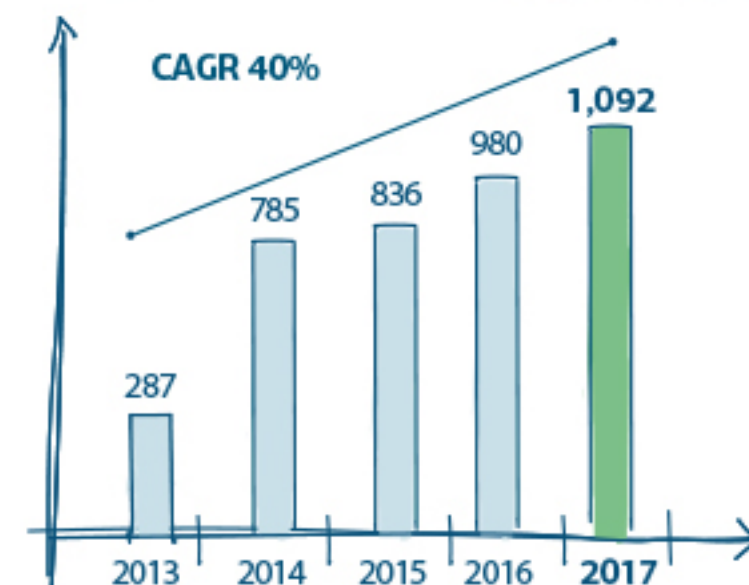


*Quarterly share figures for sales and Adjusted EBITDA

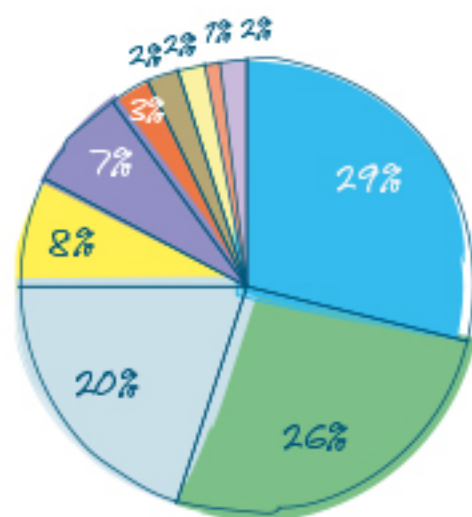
Results	4Q17	12m Dec17
SSS	10.7%	11.4%
Revenues	\$5,235	\$18,853
Adjusted EBITDA	\$996	\$3,383
Margin	19.0%	17.9%

Adjusted EBITDA and Revenues figures in million pesos

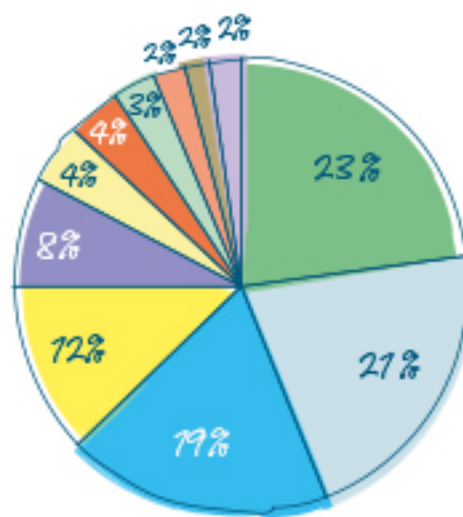
Total Stores



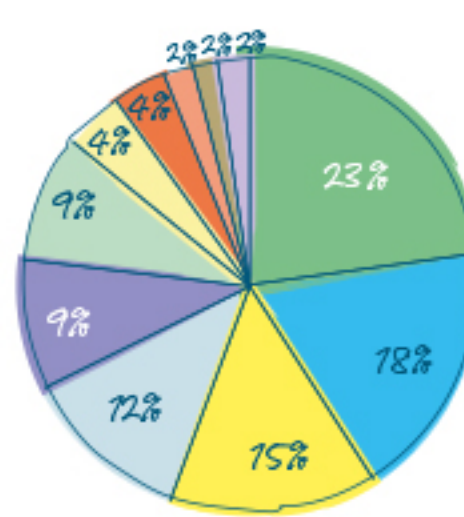
Business Overview - Alsea



Units



Sales*

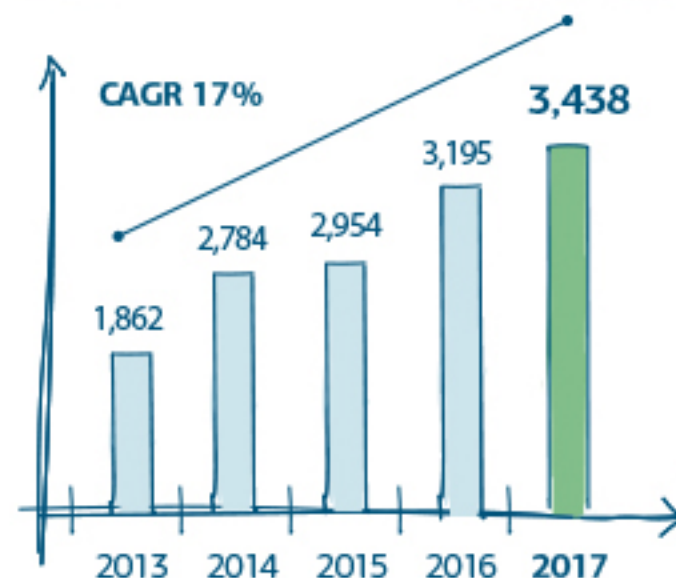


Adjusted EBITDA*



*Quarterly share figures for sales and Adjusted EBITDA
 **Archie's, The Cheesecake Factory, California Pizza Kitchen, Cañas y Tapas, LAVACA

Total Stores



Results	4Q17	12m Dec17
SSS	6.8%	6.6%
Revenues	\$11,616	\$42,529
EBITDA*	\$2,358	\$6,466
Margin*	20.3%	15.2%

EBITDA and Revenues figures in million pesos

*Including the benefit from the sale of the minority stake of Grupo Axo

Debt Profile

Capital structure 4Q17 4Q16

Net Debt / EBITDA	2.0x	2.4x
EBITDA / Interest Paid	4.9x	5.8x

Average cost 8.44%

Peso:	8.42%
Euro:	1.89%

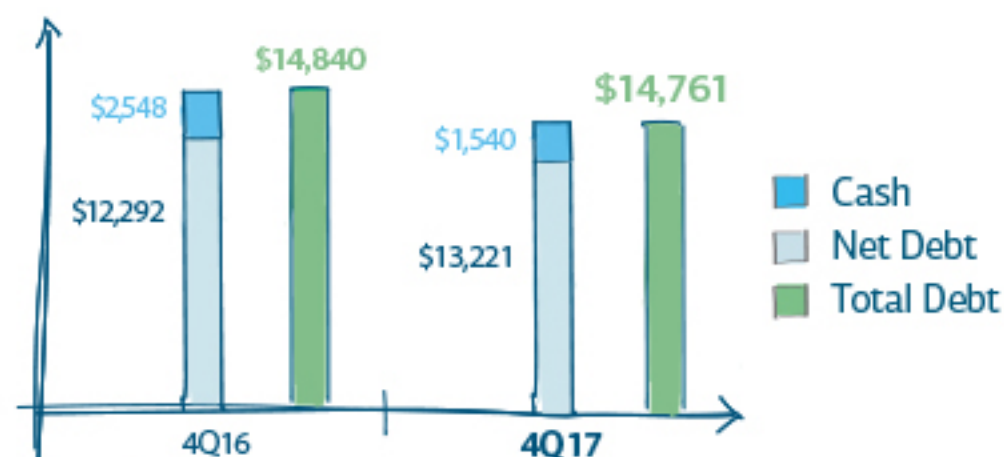
Debt structure 4Q17

Bond Debt	47%
Bank Debt	53%

Main banks

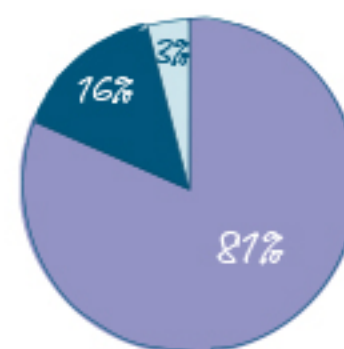
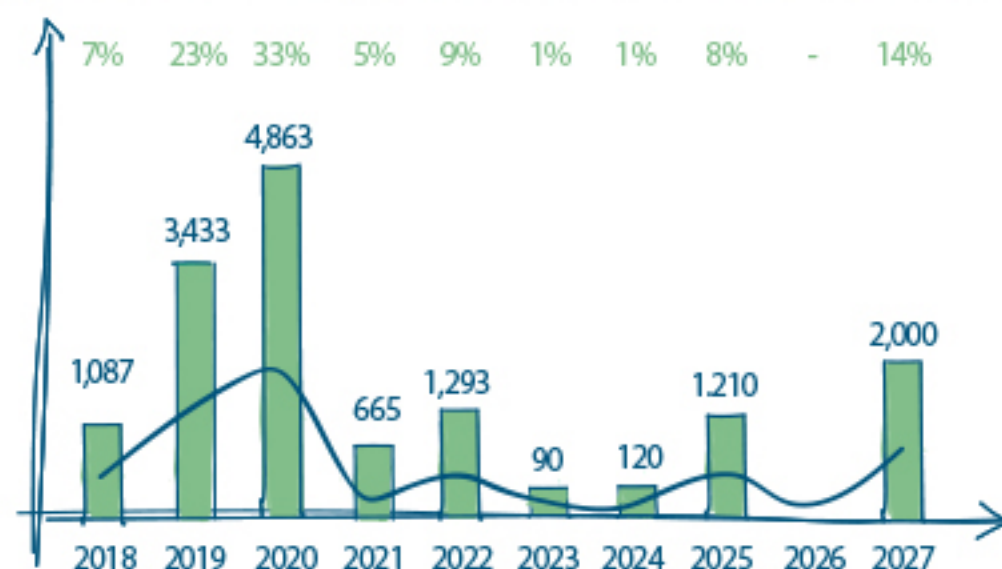
Scotiabank	9%
Bank of Tokyo	8%
Bank of America	7%

Duration 4.1 years

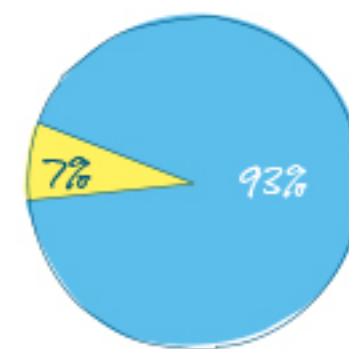


Figures in million pesos

Debt maturity

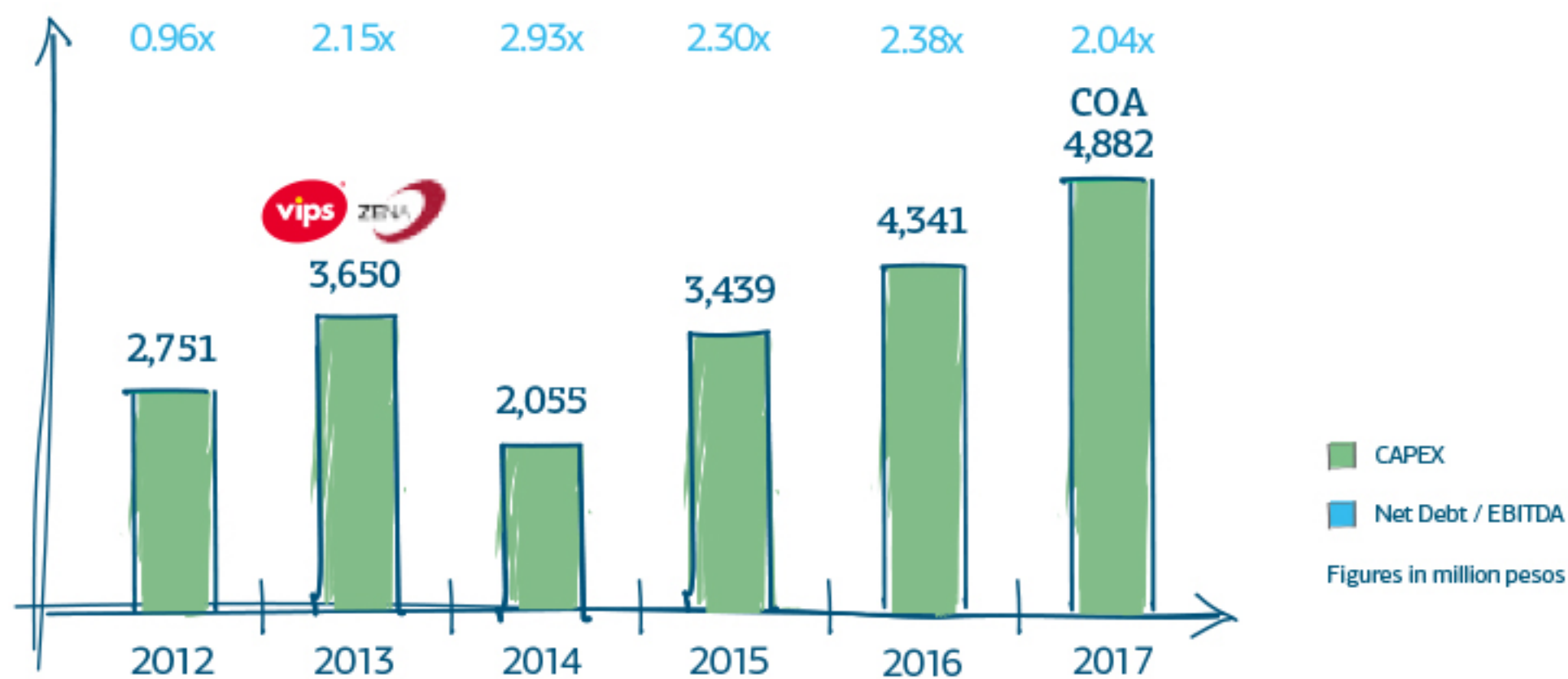


Mexican peso
Euros
Argentinian and Chilean pesos



Long term debt
Short term debt

Leverage & CAPEX



Note: Alsea has managed to successfully complete the acquisition of new brands in its portfolio, improving its leverage level over time.

Guidance 2018



Top line
Growth

Between
240-270
Total openings

190-210
corporate

+

50-60
sub-franchisees

SSS

Mid to High
Single Digit

Revenues

Low to Mid
Double Digit Growth

EBITDA
Growth

EBITDA

Low to Mid
Double Digit
Growth

Around
14%

EBITDA margin

~4-4.5 Bn
CAPEX*

2.2x-2.4x
Net debt/EBITDA

*Excluding acquisitions..

Five Year Goals

	2018e	2022e
Sales	Low to mid double digit growth	CAGR* > 15%
EBITDA	Low to mid double digit growth	CAGR* = High-teens
EBITDA margin expansion	Around 14%	>15%
Dividends	>\$0.70 pesos per share	Acum >\$ 5.50 pesos per share
Adjusted EPS*	\$1.70	CAGR* >25%
ROIC	13%	>20%
ROE	12%	Low 20's

*5 - Year Compound Annual Growth Rate

Investor Information

Salvador Villaseñor / IR
ri@alsea.com.mx
Phone: +52 (55) 7583-2000

Headquarters

Alsea, S.A.B. de C.V.

Av. Revolución #1267 – 21st. Floor
Corporate Tower

Col. Los Alpes, Del. Alvaro Obregón

Zip Code 01040, Mexico City

Phone: +52 (55) 7583-2000



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