VAPIANO®

PASTA | PIZZA | BAR







QUARTERLY STATEMENT 01–09 / 2017





CONTENTS

KEY FINANCIALS

in EUR million	Q3/2017	Q3/2016	Change	9M/2017	9M/2016	Change
System sales (corporate, joint venture and franchise restaurants)	123.5	115.8	+6.7%	365.3	336.6	+8.5%
Net sales (corporate and joint venture restaurants and franchise income)	82.3	62.7	+31.3%	235.9	171.7	+37.4%
Like-for-like sales	60.6	57.8	+4.8%	155.3	146.9	+5.7%
Average receipt per guest (EUR)	12.06	11.28	6.9%	12.02	11.16	7.7%
Adjusted EBITDA	10.5	5.7	+84.2%	26.4	16.1	+64.0%
Adjusted EBITDA margin	12.8%	9.1%	+3.7pp	11.2%	9.4%	+1.8pp
Reported EBITDA	6.1	13.8	-55.8%	12.6	22.3	-43.5%
Reported EBITDA margin	7.4%	22.0%	-14.6pp	5.3%	13.0%	-7.7pp
Adjusted result for the period*	2.5	-1.1	>+100%	1.2	-2.5	>+100%
Reported result for the period	-3.0	6.4	>-100%	-16.5	2.7	>-100%
Cash flow from operating activities	4.0	-4.9	>+100%	7.2	2.0	>+100%
Cash flow from investing activities	-19.4	-20.2	+4.0%	-55.3	-32.3	-71,2%
Cash flow from financing activities	-43.8	27.7	>-100%	71.8	33.4	>+100%

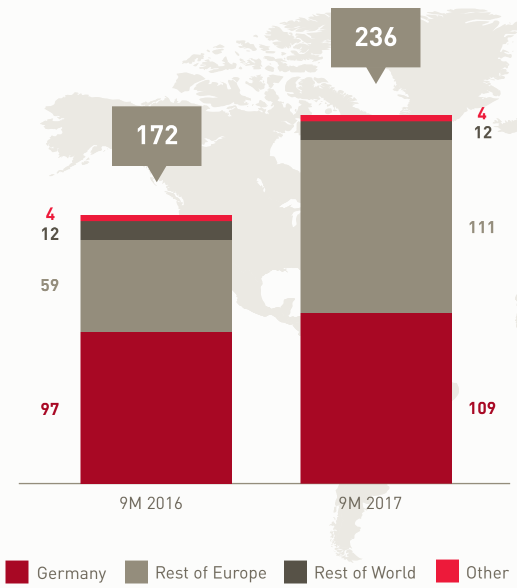
* Result for the period adjusted for EBITDA adjustments and adjustments for amortization and tax effects from acquisitions.

	30/09/2017	31/12/2016	Change
Equity ratio	41.8%	27.4%	+14.4pp
Net debt (EUR million)	90.4	131.4	-31.2%
Employees (headcount)	5,857	5,493	+6.6%
Number of restaurants	192	179	13*

* 14 openings, 1 closure

KEY FINANCIALS

Net sales by segment in EUR million



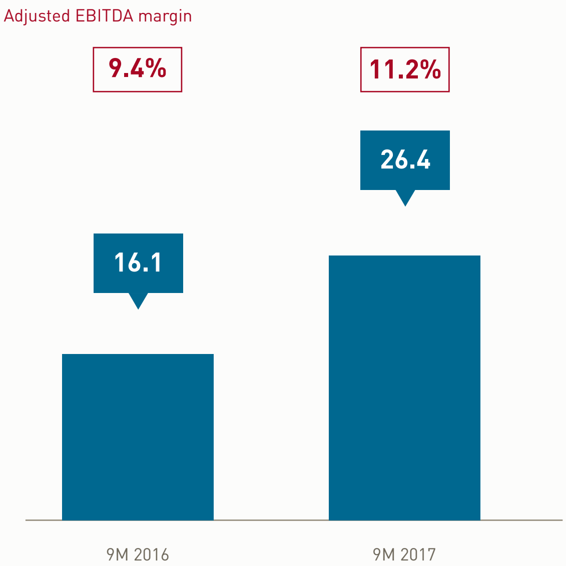
+37%

Net sales

+6%

Like-for-Like sales

Adjusted EBITDA in EUR million



+64%

Adjusted EBITDA

LETTER FROM THE CEO

Jochen Halfmann
Chief Executive Officer

Dear shareholders, guests and Vapianisti,

VAPIANO has achieved a lot over the past months. Between 1 January and 30 September 2017, we opened 14 restaurants around the globe and have opened a further 4 since then as of today, which means we now operate 196 restaurants in total. Up to 10 new restaurants will open in the next few weeks, including our 200th restaurant which will open in Tivoli in Copenhagen later this month.

With the restaurants still opening this year, we will reach our target of 25-30 new restaurants in 2017.

Compared to the previous year, we again significantly increased Group net sales by a satisfactory 31.3% to €82.3 million in the third quarter and by 37.4% to €235.9 million in the first nine months. This increase in sales was attributable not just to the above-mentioned new openings, but also to our existing restaurants which performed very well and recorded a distinct boost in sales on a like-for-like basis of 4.8% in the third quarter compared to the previous year. In the first nine months of the year, we were able to significantly increase like-for-like sales across the Group by 5.7%.

As a growing company, VAPIANO has to shoulder high cost levels (opening costs and depreciation/amortization) due to the large number of new restaurants we open. In addition, high non-operating one-off effects, mainly due to our IPO, were incurred in 2017. We have therefore defined earnings before depreciation/amortization, interest and taxes adjusted by the above-mentioned costs (adjusted EBITDA) as the primary indicator that we use to manage and communicate our purely operational performance. The development of this key indicator is also satisfactory. The increase in adjusted EBITDA was disproportionately high in the first nine months, at around 64.0% to a total of €26.4 million, while the rise for the third quarter was even higher, at 84.2% to €10.5 million.

We continue to expand the digital share of our business including, in particular, our takeaway and home delivery option that allows our guests to order and enjoy VAPIANO “anytime, anyplace, anywhere”. We have already equipped 70 restaurants with special takeaway and delivery service capacities. By year-end, we plan to have fully equipped up to 75 restaurants, and thus more than 35% of our restaurant network, likewise.

At the same time, we are developing and testing new formats, such as the “small” VAPIANO in Ingolstadt and Vienna measuring around 300 square meters – or the VAPIANO freestander. We are testing the use of terminals to take orders in our restaurants to reduce waiting times at peak hours, and regularly test new dishes to reflect global food trends (e.g., gluten-free, reduced sugar content) on our menus. All innovations and initiatives are subject to a rigorous pilot phase prior to market launch in keeping with our foremost aim of sustainably profitable growth.

This month, we moved the VAPIANO headquarter from Bonn to Cologne in the Rheinauhafen. We have created a young, modern and inspiring work environment for our Vapianisti, from which we can efficiently manage and expand our global restaurant network.

In summarizing, we can safely say that we are on the right track and very confident of meeting our forecast for fiscal year 2017. Our company is growing dynamically and has a healthy capital base following the IPO.

This year, VAPIANO laid the key foundations for the sustainably profitable operation of 330 restaurants around the globe in 2020. We are planning to open 30 – 35 new restaurants in 2018, most of the rental contracts have already been signed.

On behalf of the Management Board, I would like to thank our Vapianisti for their enormous commitment, and our guests and shareholders for the trust they have shown and continue to show in VAPIANO SE.

Warmest regards,

Jochen Halfmann

NEW OPENINGS

Düsseldorf, 20/01/2017

Santiago de Chile, 17/03/2017

La Défense in Paris, 06/04/2017

Jeddah, 27/04/2017

Metz, 10/05/2017

Groningen, 11/05/2017

Bogotà, 02/06/2017

Hanover, 30/06/2017

Essen, 07/07/2017

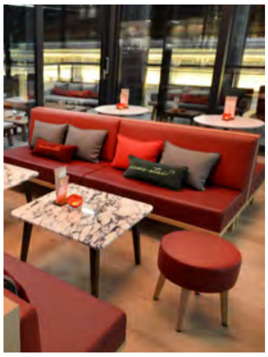
Vienna, 28/07/2017

14

New Openings
in 01-09 / 2017

Prague, 01/08/2017

Paris, 18/08/2017



Belgrade, 30/09/2017

Cologne, 30/09/2017

UPCOMING OPENINGS

Prague, 10/10/2017

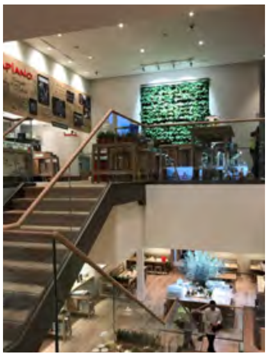

Wroclaw, 17/10/2017

Chicago, 17/10/2017

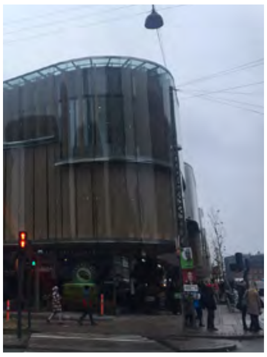

Marseilles, 20/10/2017

14

Upcoming Openings
in 10-12 / 2017


Edinburgh

Toowoomba, Australia


Copenhagen (Tivoli)

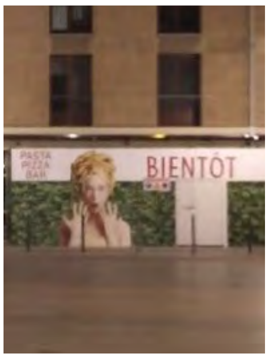

Saint-Pierre, La Réunion

Almere


Copenhagen

Barcelona

Miami



Aix-en-Provence

Glasgow

IMPORTANT EVENTS

International expansion

During the reporting period from January through September 2017, VAPIANO opened 14 VAPIANO restaurants around the globe, bringing the total number of restaurants operated globally as of September 30, 2017 to 192. The restaurants opened in 2017 were attributable to the segments and investment models as follows:

Restaurant openings 9M/2017	Corporate	Joint Venture	Franchise	Total
Germany	4	0	0	4
Rest of Europe	1	4	2	7
Rest of world	0	0	3	3

Ad hoc disclosure

The composition of the Management Board changed as follows during the reporting period: On September 30, 2017, the Supervisory Board of Vapiano SE reached a mutual agreement with Mario C. Bauer, at the latter's request, to terminate the contract appointing him to the Management Board, effective December 31, 2017, for personal reasons. Mario C. Bauer will continue to advise VAPIANO exclusively until December 31, 2018, at least, so that we can push ahead with the expansion of our restaurant network in existing and new markets. Mario C. Bauer has extended the lockup period for the shares he holds, from June 30, 2018, until December 31, 2018.

NET ASSETS, FINANCIAL POSITION AND RESULT OF OPERATIONS

VAPIANO generates significant sales growth and a disproportionately high increase in adjusted EBITDA

- Group net sales increased by 31% to €82.3 million in Q3
- All segments contributed to strong like-for-like growth of 4.8%
- The improvement in adjusted EBITDA was disproportionately good, increasing by 84.2% to €10.5 million
- International presence expanded and now spans 192 restaurants
- Detailed specification of guidance for fiscal year 2017

Material changes in the result of operations

In the third quarter of 2017, net sales within VAPIANO Group increased significantly compared to the year before, by 31.3% to €82.3 million. This was primarily due to the opening of new restaurants and the acquisitions in France and Sweden, as a result of which both of these sub-groups are now fully consolidated in VAPIANO's financial statements. Previously, the sub-group France was included in the consolidated financial statements using the equity method, while the restaurants in Sweden were operated by non-Group franchise partners. Prior to the acquisitions, completed as of 1 September 2016, the Group therefore only generated franchise fees from these restaurants. The marked increase in net sales thus reflects the success of the Group's expansion and growth strategy. VAPIANO also performed well on like-for-like terms, with sales growth of 4.8%. This gratifying increase was due, above all, to the successful implementation of improvements in restaurant operations.

During the first nine months of 2017, net sales totaled €235.9 million (+37.4%), while like-for-like sales increased by 5.7%.

Net sales performance by segment was as follows:

Net sales in EUR million	**Q3/2017**	**Q3/2016**	**9M/2017**	**9M/2016**
Germany	**37.7**	34.4	**109.0**	97.2
Rest of Europe	**39.0**	22.3	**111.4**	58.6
Rest of world	**4.1**	4.2	**12.0**	12.2
Other sales	**1.5**	1.8	**3.5**	3.7
Total	**82.3**	**62.7**	**235.9**	**171.7**

As a growth-oriented company, VAPIANO focuses primarily on adjusted EBITDA as its key performance indicator. This key figure disregards opening costs, depreciation/amortization – which are always substantial when a company is growing – as well as non-operational one-off effects (such as the non-recurring cost of the IPO this year), and thus describes the operational performance of our Group most accurately.

In the third quarter of 2017, VAPIANO was able to increase adjusted EBITDA by 84.2% to €10.5 million, while the adjusted EBITDA margin rose by 3.7 percentage points to 12.8%. The acquisitions in France and Sweden towards the end of the third quarter 2016 contributed to this result, as did our positive net sales performance in the existing restaurants.

In the first nine months of 2017, adjusted EBITDA totaled €26.4 million (+64.0%), while the adjusted EBITDA margin rose by 1.8 percentage points to 11.2%.

In contrast, the reported EBITDA for the third quarter of 2017 declined in comparison to the previous year. This was mainly due to one-off earnings of €10.0 million, recognized in the third quarter of 2016 as a result of consolidation.

The higher depreciation/amortization in the first nine months of 2017 included amortization amounting to €4.2 million (prior-year period: €0.5 million) of the intangible assets from the acquisitions in France and Sweden. This increase was partially offset by the reversal of deferred tax liabilities formed for this purpose (first nine months 2017: €1.2 million; prior-year period: €0.1 million) and by the recognition of additional deferred tax assets on loss carryforwards.

The result for the period – adjusted for the special items described above and for depreciation/amortization and tax effects relating to franchise rights gained through corporate acquisitions – totaled €2.5 million and €1.2 million in the third quarter and the first nine months of 2017, following €1.1 million and €-2.5 million in the prior-year period.

The reported result for the third quarter and the first nine months of 2017 decreased year on year from €6.4 million to €-3.0 million and from €2.7 million to €-16.5 million respectively. This was mainly due to the above mentioned effects from the acquisitions and expenses relating to the initial public offering.

Material changes in net assets and financial position

The net assets and financial position of the Group were also impacted by the further implementation of the expansion and growth strategy in the third quarter of 2017. This was mainly manifested in an increase in property, plant and equipment, driven by the opening of new restaurants, the remodeling projects and the installation of take-away areas, as well as in the relating cash outflows for investing activities.

Some of the funds obtained through the initial public offering in June 2017 were used to repay bank loans as well as loans provided by shareholders. As a result, non-current financial liabilities and cash and cash equivalents decreased, and cash flow from financing activities was significantly negative in the third quarter of 2017. Compared to December 31, 2016, the Group's net debt position declined from €131.4 million to €90.4 million.

Guidance

In light of the good business performance in the first nine months of 2017, the Management Board has specified its guidance for fiscal 2017 in more detail as follows:

Key guidance figures for fiscal 2017	Guidance Interim report Q2/2017	Guidance Interim statement Q3/2017
Number of restaurant openings	25–30	27–28
Group net sales	€315–335 million	€315–335 million
Like-for-like growth	3–5%	4-5%
Adjusted EBITDA (before pre-opening costs)	€38–40 million	€38–40 million

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(kEUR)	Q3/2017	Q3/2016	9M/2017	9M/2016
Net sales	82,314	62,696	235,896	171,713
Other operating income	3,592	10,203	8,144	12,258
Capitalized development costs	167	201	479	671
Cost of materials	-19,442	-15,305	-58,462	-40,899
Personnel expenses	-34,772	-25,317	-100,398	-70,095
Amortization and depreciation of intangible assets and property, plant and equipment	-9,694	-5,504	-26,493	-15,506
Other operating expenses	-25,797	-18,705	-73,052	-51,318
Operating result	-3,632	8,269	-13,886	6,824
Financial income	124	-77	449	301
Financing expenses	-1,859	-1,003	-4,687	-2,418
Financial result	-1,735	-1,080	-4,238	-2,117
Result from accounting using the equity method	-51	-83	-196	-18
Earnings before taxes	-5,418	7,106	-18,320	4,689
Income tax income/expenses	2,464	-723	1,855	-2,014
Result for the period	-2,954	6,383	-16,465	2,675
Differences in exchange rates when translating foreign business operations	304	-342	478	-997
Other comprehensive income	304	-342	478	-997
Total comprehensive income	-2,650	6,041	-15,987	1,678
Period result attributable to:				
Shareholders of VAPIANO SE	-3,205	6,131	-16,856	2,060
Non-controlling interests	251	252	391	615
Total	-2,954	6,383	-16,465	2,675
Total comprehensive income attributable to:				
Shareholders of VAPIANO SE	-2,935	5,788	-16,315	1,063
Non-controlling interests	285	252	328	615
Total	-2,650	6,040	-15,987	1,678
Earnings per share from continuing operations				
Undiluted (euros per share)	-0.11	0.29	-0.78	0.10
Diluted (euros per share)	-0.11	0.29	-0.78	0.10

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(kEUR)	30/09/2017	31/12/2016
Assets		
Intangible assets	106,666	111,612
Property, plant and equipment	151,776	124,935
Financial assets accounted for using the equity method	4,107	3,983
Other financial assets (non-current)	1,815	1,719
Other assets (non-current)	443	1,015
Deferred tax assets	11,750	7,701
Non-current assets	276,557	250,965
Inventories	6,277	5,992
Trade receivables	7,629	6,835
Other financial assets (current)	12,806	11,435
Other assets (current)	12,005	8,668
Income tax assets	2,043	1,184
Cash and cash equivalents	35,347	11,691
Current assets	76,107	45,805
Total assets	352,664	296,770
Equity and liabilities		
Subscribed capital	24,030	534
Capital reserve	89,076	29,851
Other reserves	-84	-625
Retained earnings	10,765	27,619
Equity attributable to the shareholders of VAPIANO SE	123,787	57,379
Non-controlling interests	23,550	23,815
Total equity	147,337	81,194
Provisions	4,793	4,533
Non-current financial liabilities	117,839	133,133
Other financial liabilities (non-current)	1,223	1,933
Other liabilities (non-current)	3,398	973
Deferred tax liabilities	12,009	13,578
Non-current liabilities	139,262	154,150
Provisions	712	862
Current financial liabilities	8,327	8,248
Trade payables	28,473	17,445
Other financial liabilities (current)	12,825	11,177
Other liabilities (current)	13,871	21,232
Income tax liabilities	1,857	2,462
Current liabilities	66,065	61,426
Total liabilities	205,327	215,576
Total equity and liabilities	352,664	296,770

CONSOLIDATED STATEMENT OF CASH FLOWS

(kEUR)	Q3/2017	Q3/2016	9M/2017	9M/2016
Cash flow from operating activities				
Earnings before taxes	-5,419	7,106	-18,321	4,689
Adjustments for:				
Depreciation/amortization of intangible assets and property, plant and equipment	9,694	5,504	26,493	15,506
Non-cash income and expenses	-2	-10,000	208	-9,560
Net financing expenses	1,735	1,080	4,238	2,117
Profit and loss share in companies accounted for using the equity method, after taxes	51	83	196	18
Loss from scrapped property, plant and equipment	0	31	1,077	229
	6,059	3,804	13,891	12,999
Changes in:				
Inventories	-265	515	-285	523
Trade receivables and other receivables	-4,558	5,717	-5,014	2.723
Trade payables and other payables	4,551	-14,442	4,923	-11,111
Other provisions and provisions for employee benefits	281	1,161	-86	1,226
Cash inflow/outflow from operating activities	6,028	-3,245	13,429	6,360
Interest paid	-1,661	-1,003	-3,950	-2,418
Income tax paid	-379	-694	-2,278	-1,912
Cash flow from operating activities	3,988	-4,942	7,201	2,030
Cash flow from investing activities				
Purchase of intangible assets and property, plant and equipment	-17,130	-4,078	-49,731	-14,636
Purchase of subsidiaries	-2,228	-16,165	-4,823	-16,165
Purchase of other financial assets	0	0	-749	-1,452
Cash flow from investing activities	-19,358	-20,243	-55,303	-32,253
Cash flow from financing activities				
Capital increase from the IPO	0	0	85,000	0
IPO transaction costs	-2,712	0	-4,333	0
Other payments by owners	0	15,055	0	15,656
Loans from shareholders	-2,553	0	7,447	0
Inflow from other financial liabilities	2,733	23,777	158,196	30,183
Transaction costs in connection with the syndicated loan	0	0	-1,794	0
Outflow from other financial liabilities	-41,278	-10,948	-172,131	-12,130
Profit distribution	0	-136	-593	-272
Cash flow from financing activities	-43,811	27,748	71,791	33,437
Cash and cash equivalents				
Net increase in cash and cash equivalents	-59,181	2,563	23,689	3,214
Cash and cash equivalents at the start of the reporting period	94,540	5,978	11,691	5,553
Effects of changes in exchange rates and the scope of consolidation on cash and cash equivalents	-12	1	-33	-225
Cash and cash equivalents at the end of the reporting period	35,347	8,542	35,347	8,542

Financial calendar 2018

Date	Event
25 April 2018	Publication Annual Report 2017 / Analyst Conference
23 May 2018	Publication Quarterly Statement as of 31 March 2018
6 June 2018	Annual General Meeting 2018
12 September 2018	Publication Interim Report as of 30 June 2018
28 November 2018	Publication Quarterly Statement as of 30 September 2018

DISCLAIMER / FORWARD-LOOKING STATEMENTS

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