

Pizza Pizza Royalty Corp.

ANNUAL GENERAL MEETING

May 29, 2013





Elizabeth Wright, Board Chair

Forward-Looking Statement

- This presentation will contain forward-looking statements.
- Investors should be aware that any forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those disclosed here today.
- Investors are directed to the Company's Annual Information Form for a full discussion of risks.
- Management does not intend to discuss any undisclosed material information today.



**Paul Goddard,
Chief Executive Officer, Pizza Pizza Limited**

ROYALTY REVENUES

6% of System Sales



\$24M in Royalty Revenue

9% of System Sales

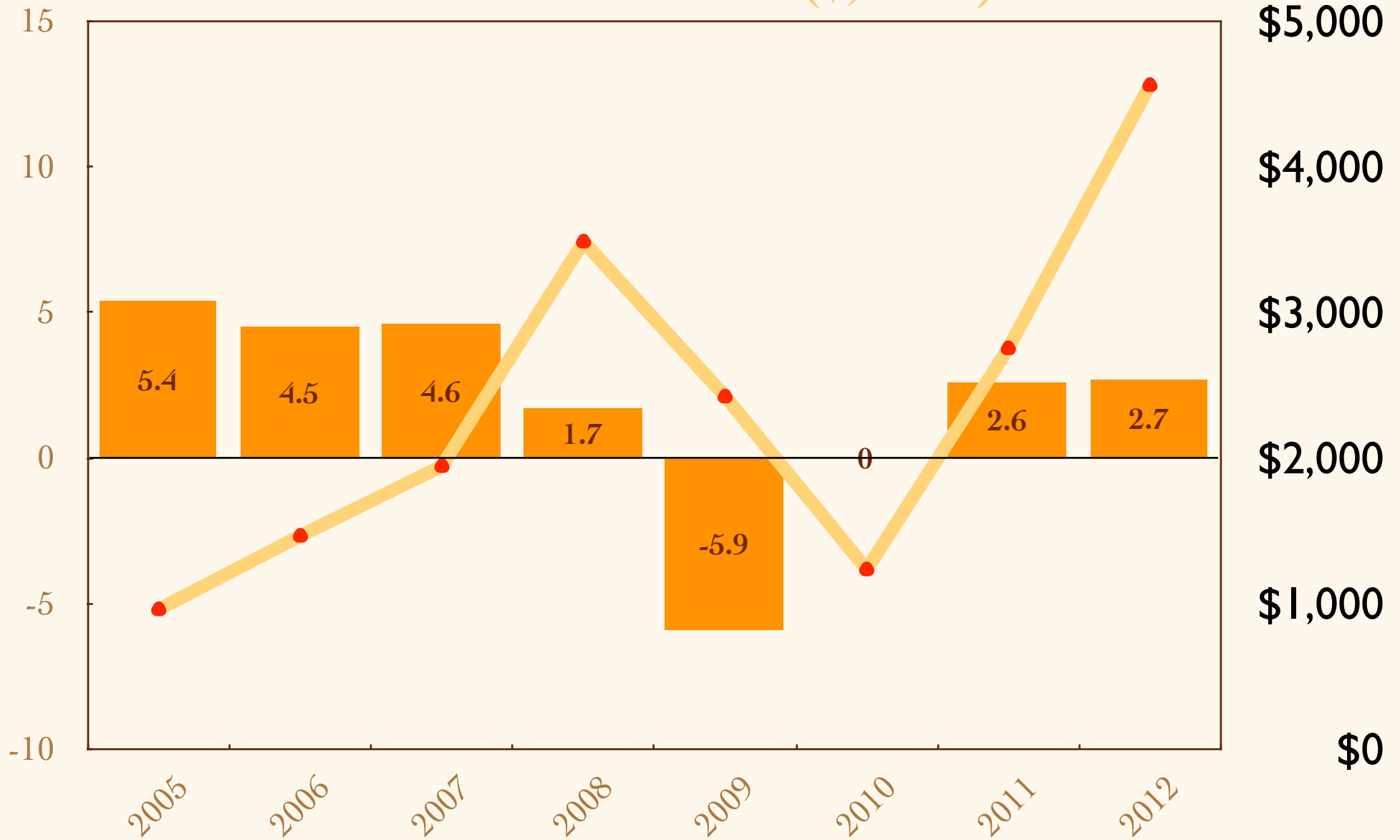


\$7M in Royalty Revenue

Licence and royalty agreements with Pizza Pizza Limited provide cash flow stability to investors with limited operational risks.

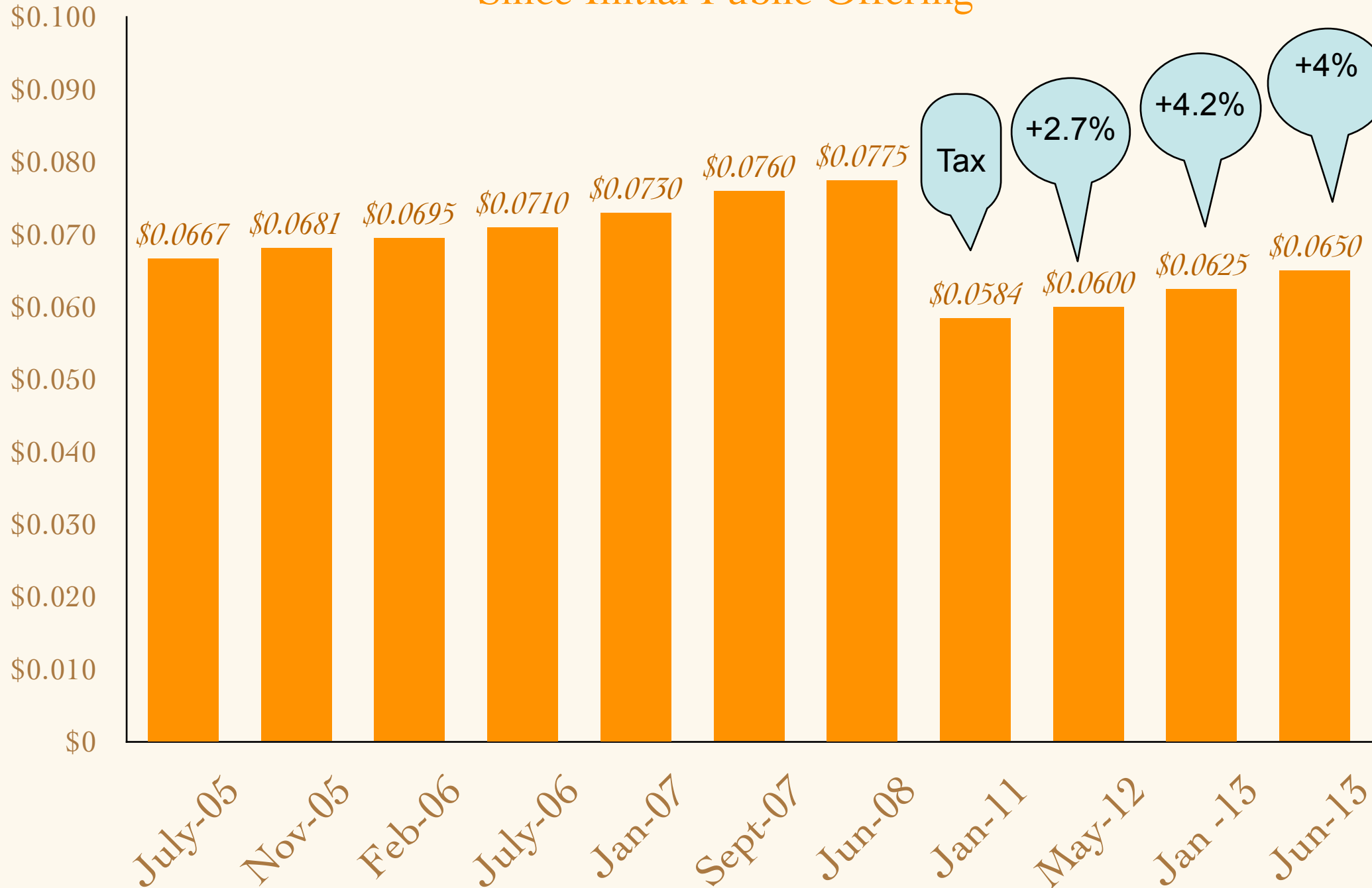
Pizza Pizza

Same Store Sales Growth and Cash Reserve (\$,000's)

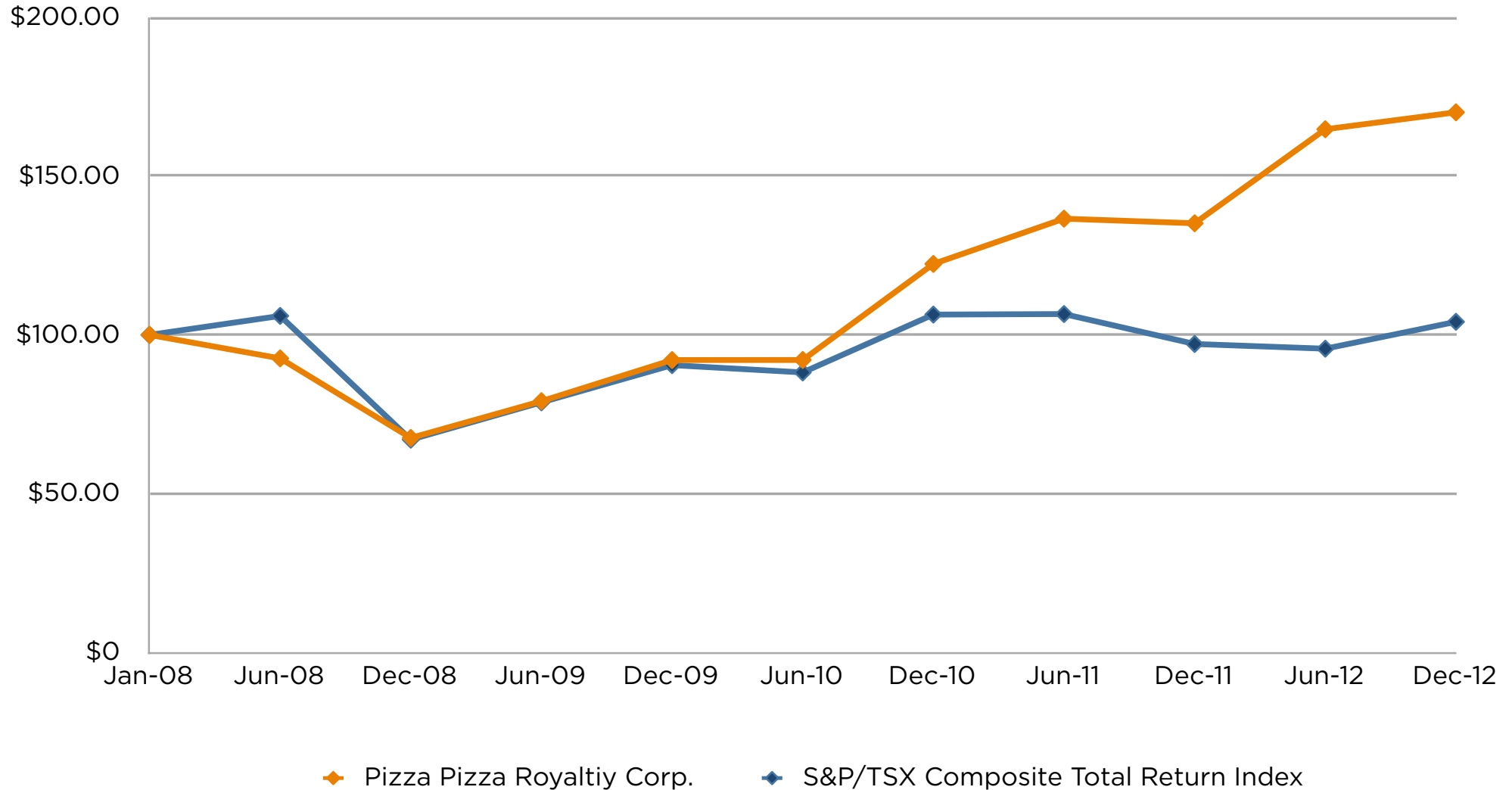


MONTHLY SHAREHOLDER DIVIDEND

Since Initial Public Offering



PZA compared to S&P/TSX Composite Total Return Index (\$100 invested for last five years)



Pizza Pizza Limited - Business Fundamentals

- Canada's #1 pizzeria
- Seasoned management team
- Strong and proven business model
- Powerful brands
- Geographic diversification
- Modernized restaurant chain
- Innovation leader since 1967

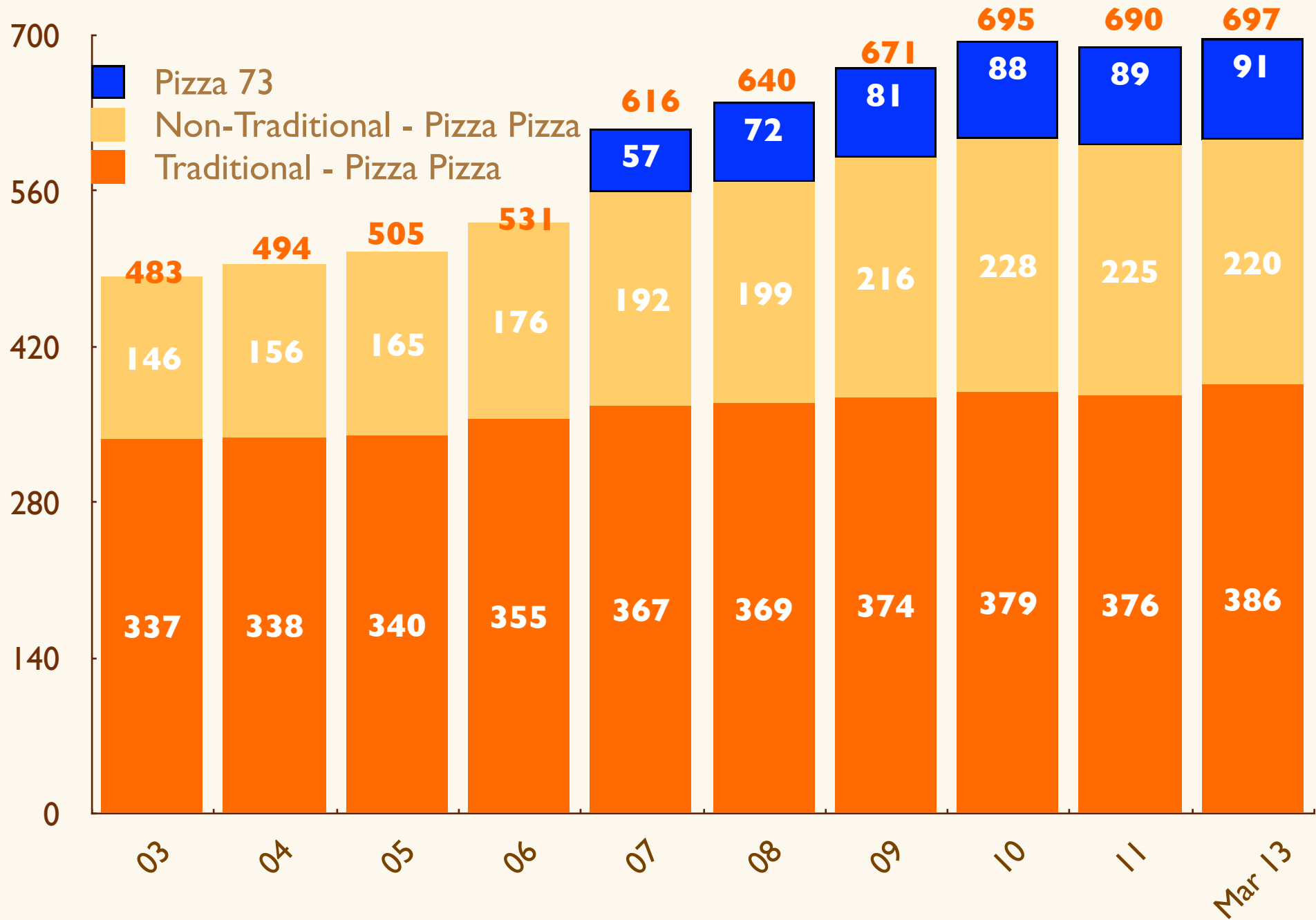


...the private operating company pays a monthly royalty for use of trademarks...

Restaurant Success

- Pizza Pizza provides restaurant operators a high level of service:
 - Centralized food distribution - Volume purchasing
 - Pizza Pizza Training Centre - Operator training
 - Turn-key Operation, plus Centralized Financing
 - Real estate site selection and lease renewal
 - Centralized payment of all operating expenses including rents, mortgages, and sales taxes

Number of Restaurants

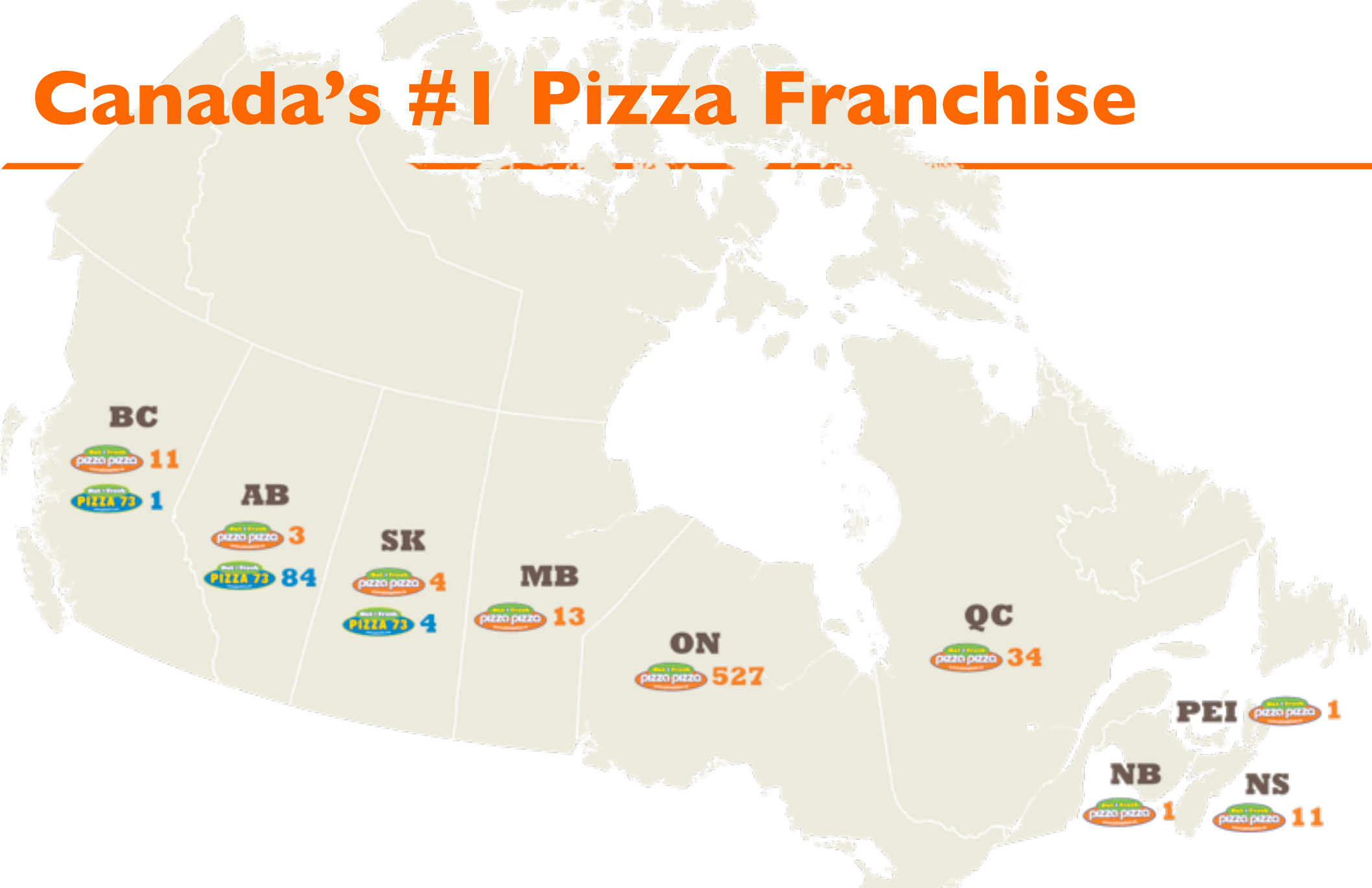


PIZZA PIZZA

480-11-11



Canada's #1 Pizza Franchise



Building a national presence outside our core
Alberta and Ontario markets

Non-traditional Partnerships build Brand awareness

Sponsorships



Non-traditional locations



Special Events



Partnerships with major sports arenas, entertainment venues and special community events provide increased marketing and business opportunities

fresco

ULTRA THINS





GLUTEN FREE!
Cheese | Hawaiian | Veggie | Pepperoni

10" pizzas starting at

\$9.99

A large Hawaiian pizza is shown on the right side of the advertisement. The pizza is topped with melted cheese, pineapple slices, and slices of ham. In the background, there are images of red tomatoes.

Value-oriented Menu Offerings

Walk-in & Save!

MEDIUM PEPPERONI PIZZA

\$4⁹⁹

Walk-in only. No phone orders.

Pepperoni or Cheese pizzas.



POUTINE
with Gravy and Cheese Curds

CHILI
with a FREE order of Garlic Toast

\$2

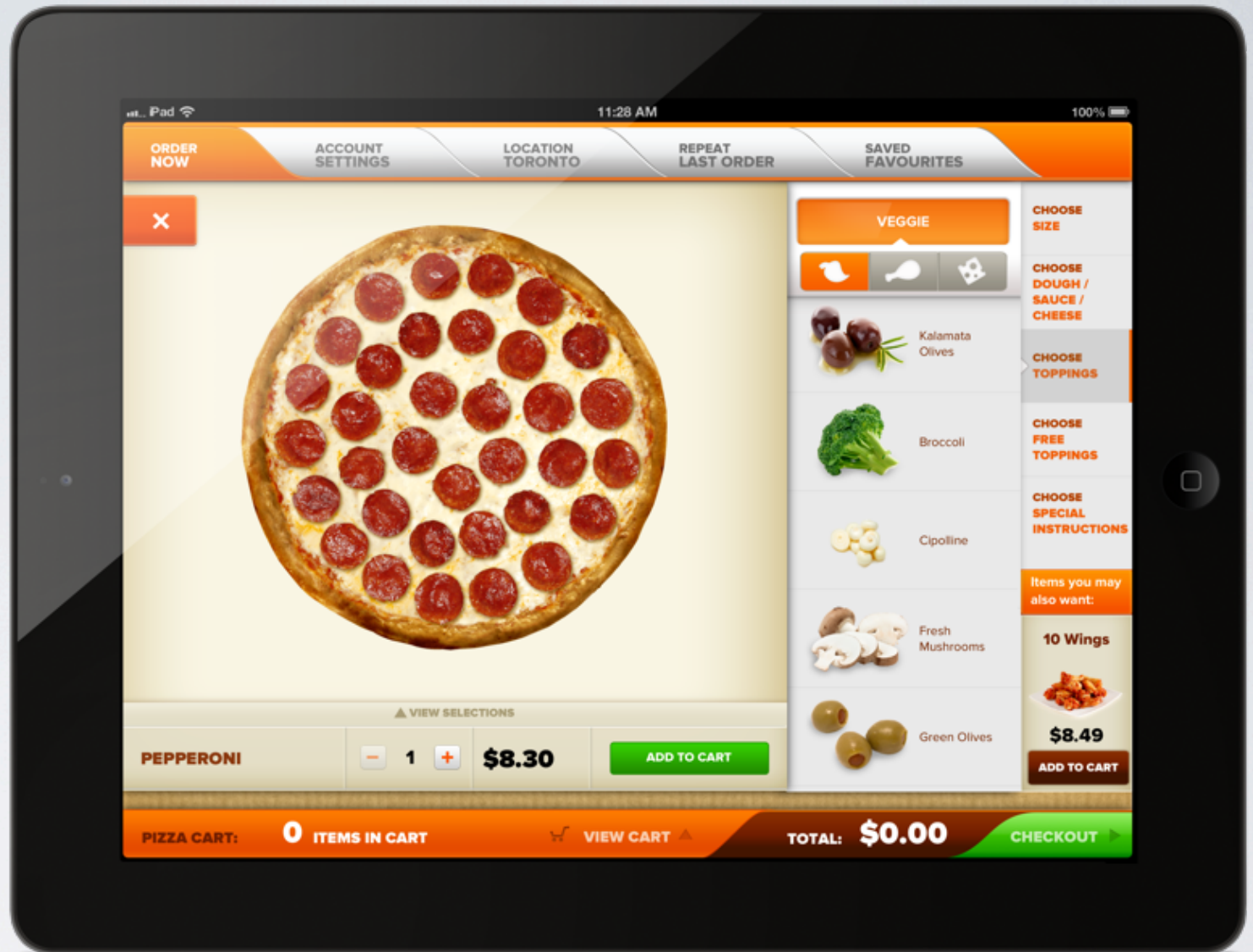
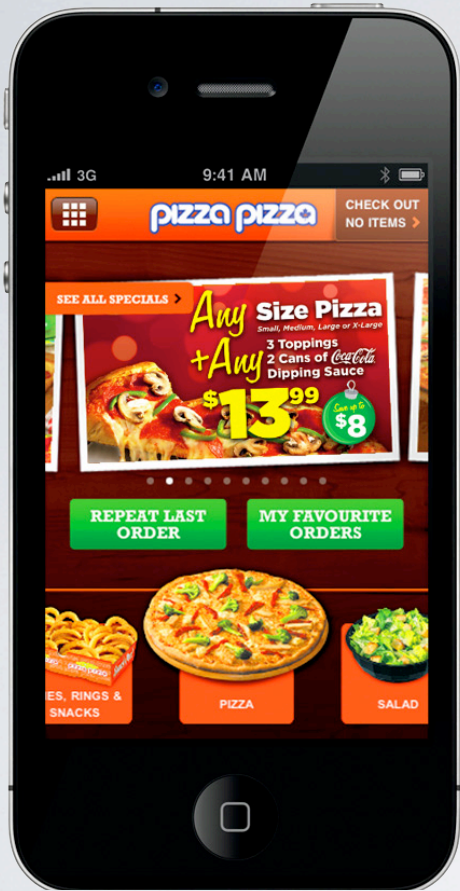
DOLLAR DAYS!

MONDAY, TUESDAY & WEDNESDAY!
Walk-in and order your choice of Poutine, Chili, Small Garden Salad or Meatball Marinara Italian Sandwich for only **TWO BUCKS!**
Limit 2 items per customer.

SMALL GARDEN SALAD
with your choice of Salad Dressing

ITALIAN SANDWICH
with Meatballs and Marinara Sauce





Partnering innovation with consumer convenience leads to sales growth

Social Responsibility



Our fundraising events have raised over **\$1,000,000** for various charities including the Children's Miracle Network.

Curt Feltner

Chief Financial Officer, Pizza Pizza Limited

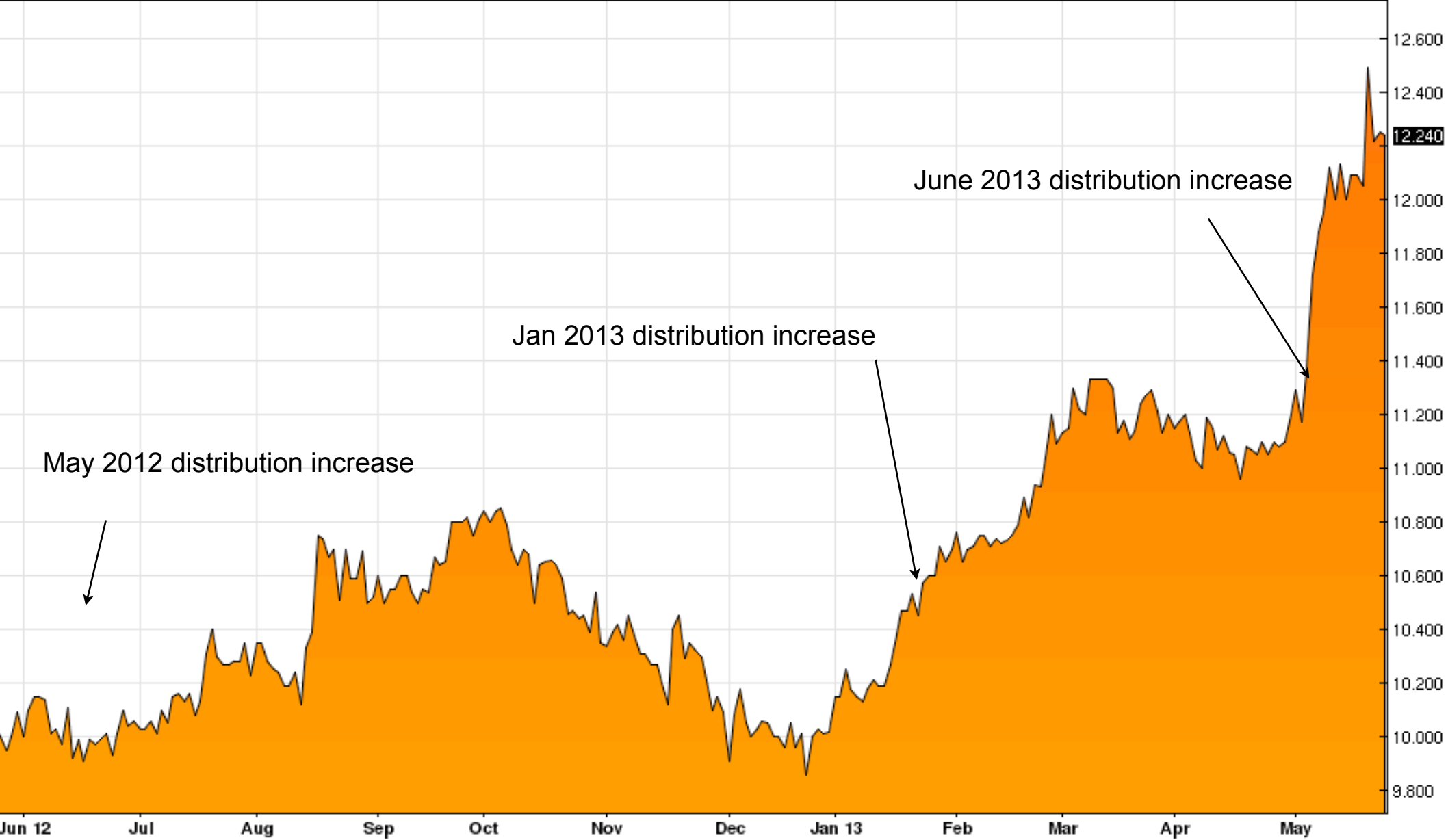


Shareholder Information

\$370M Market Cap.

- TSX exchange listing PZA
- Publicly traded shares outstanding 21,818,392
- Fully Diluted shares 29,934,276
- Pizza Pizza Limited's ownership 27.1%
- Current monthly dividend \$0.0625
- Recent trading price \$12.40
- Recent yield 6.1%
- Credit facility matures Dec 2016 \$47M
- Debt to EBITDA ratio at 3/31/13 1.54

PZA SHARE PERFORMANCE FOR LAST 12 MONTHS



2012 Performance Highlights

- Royalty Pool System sales \$482 M
- SSSG 2.7%
- Number of restaurants in Royalty Pool: 690
- \$4.6 million working capital reserve
- Adjusted earnings per share \$0.795
- Dividends per Fund share \$0.7136
- Pay-out ratio = 90%



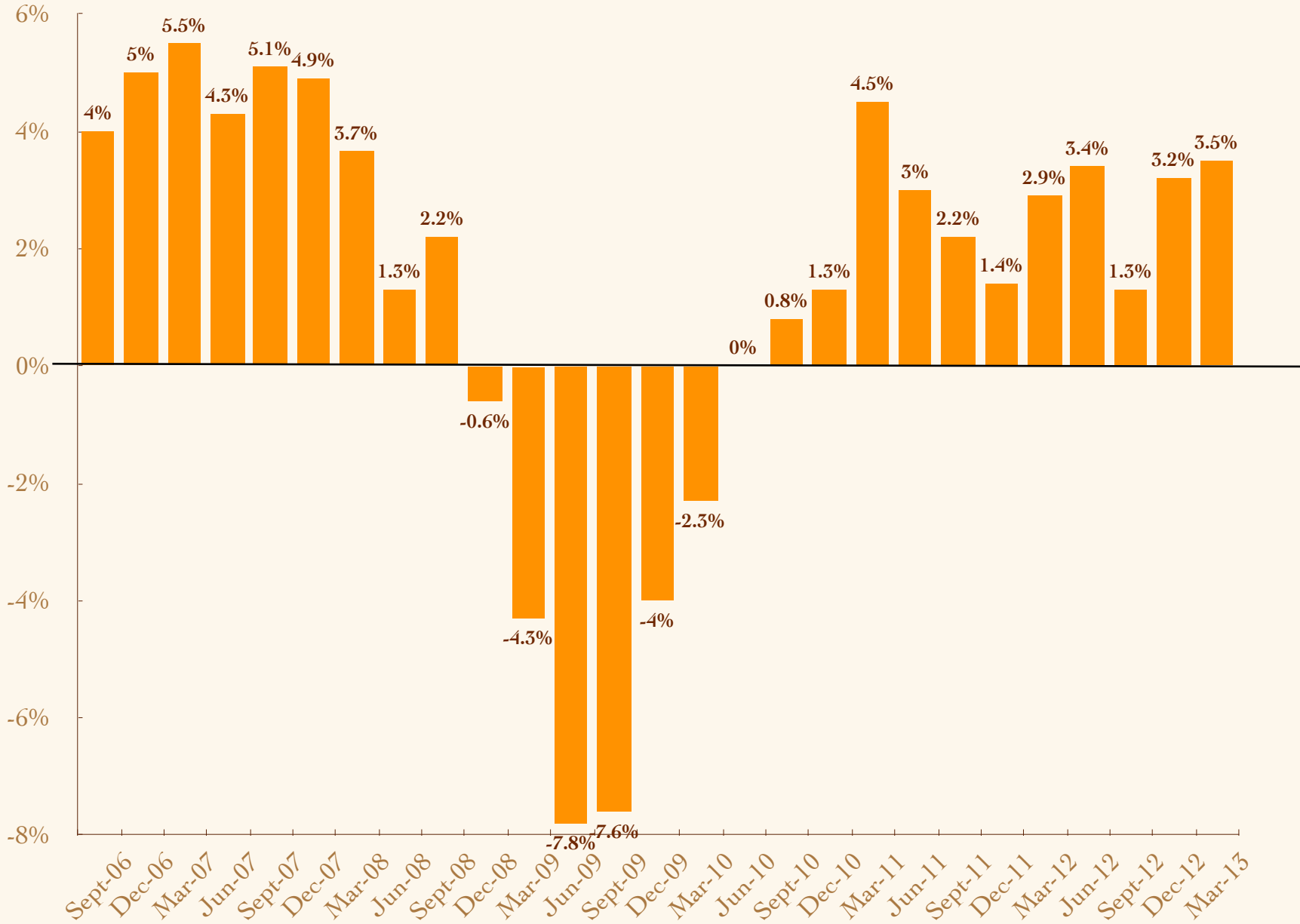
Q1 2013 -- Performance Highlights

- System sales of Royalty Pool \$121 M
- Number of restaurants in Royalty Pool: 694
- Adjusted earnings per share \$0.208
- Dividend per share \$0.1875
- SSSG 3.5%
- Pay-out ratio = 96%
- \$4.7 million working capital reserve



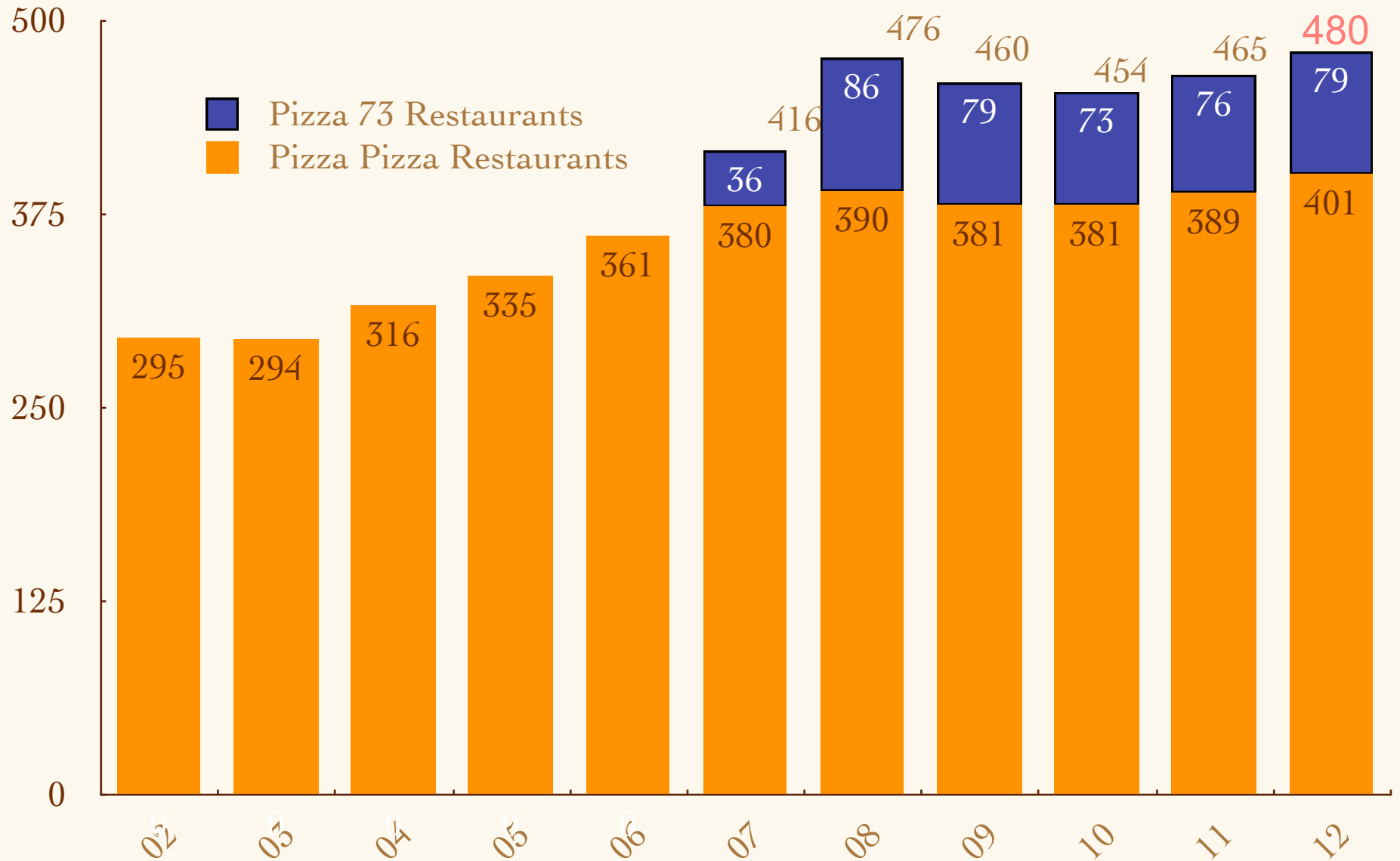
PIZZA PIZZA LIMITED - both brands

SAME STORE SALES GROWTH - QUARTERLY



PIZZA PIZZA LIMITED

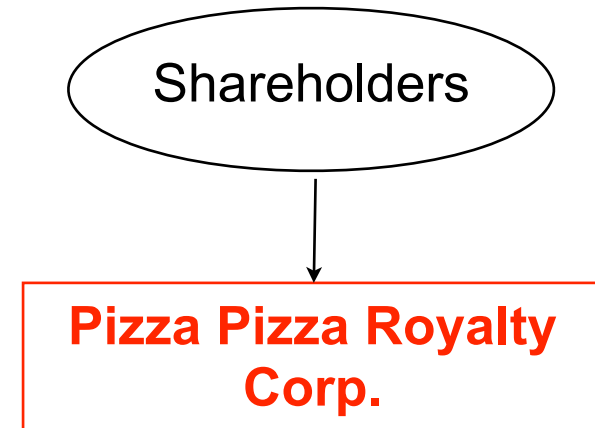
ANNUAL SYSTEM SALES *(Dollars in millions)*



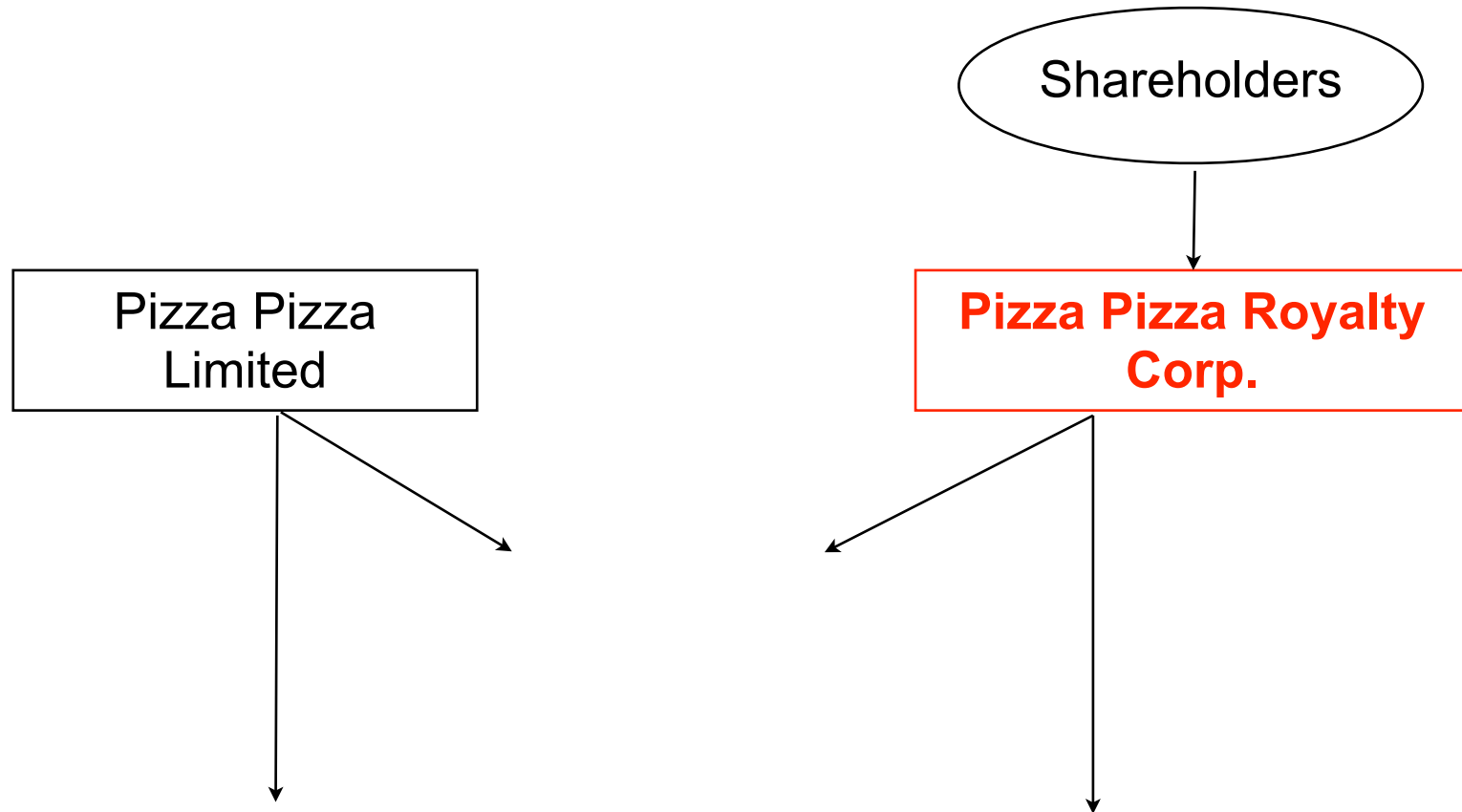
Conversion to a Corporation

- **Benefits of Corporate structure**
 - Simply the organization structure for investors
 - the story is simplified
 - Simplify financial reporting
 - more transparent
 - earnings per share now fully diluted
 - measurable to industry competitors
 - Enhanced access to capital markets if needed in the future

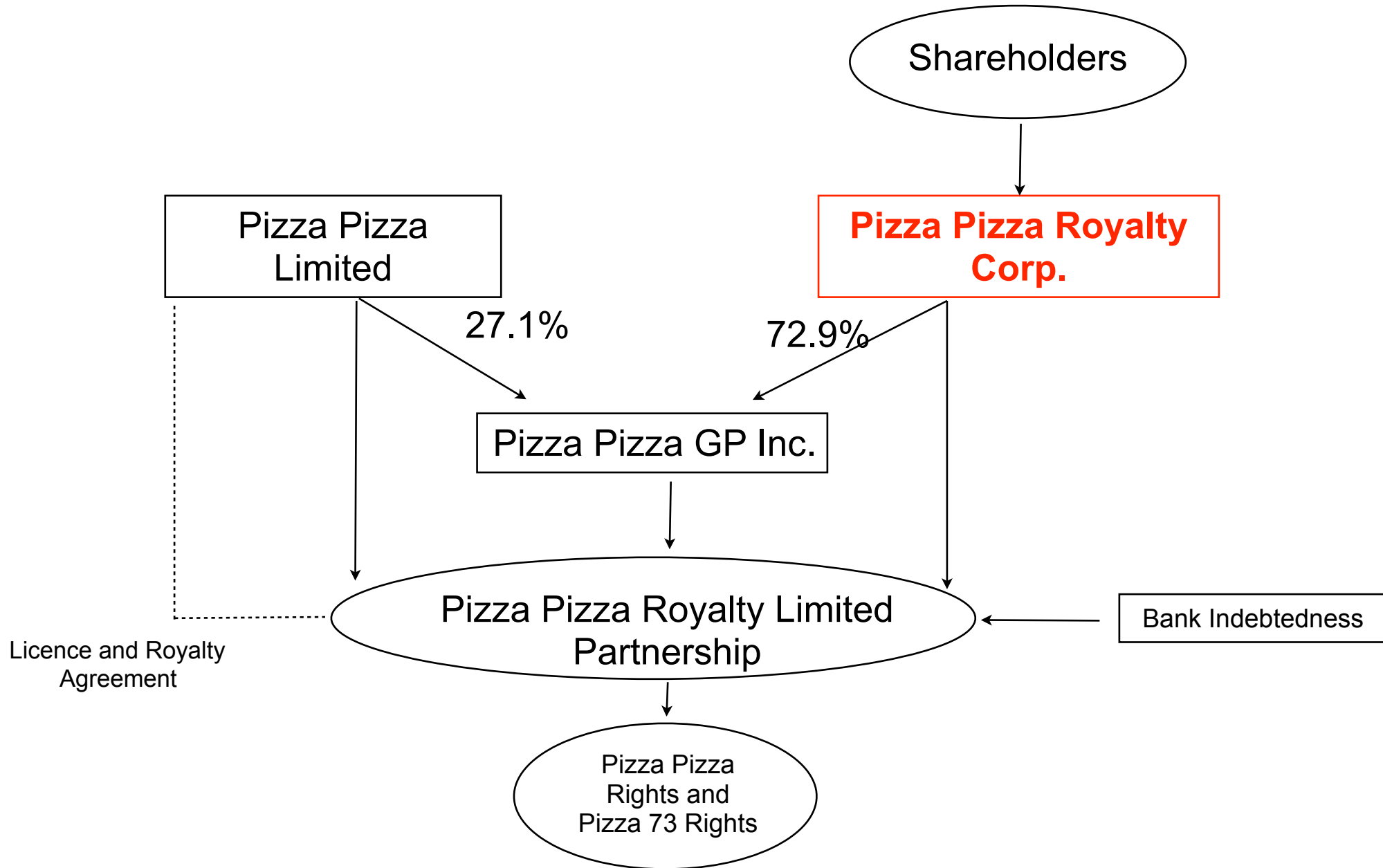
Org. Chart - Post Conversion



Org. Chart - Post Conversion



Org. Chart - Post Conversion



Pizza Pizza Royalty Corp.

