Pizza Pizza Limited
Management's Discussion and Analysis

This Management's Discussion and Analysis ("MD&A") of financial position and results of operations of Pizza Pizza Limited ("PPL") covers the 13-week (the "Quarter") and 26-week (the "Period") periods ended June 28, 2015. The MD&A should be read in conjunction with PPL's June 28, 2015 unaudited interim condensed consolidated financial statements and notes thereto. PPL prepares its unaudited interim condensed consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). The MD&A has been prepared as of August 6, 2015.

OVERVIEW

PPL, a privately-owned Canadian corporation, operates two brands, Pizza Pizza and Pizza 73. PPL acquired 100% of the shares of Pizza 73, Inc. ("Pizza 73") on July 24, 2007. Immediately following the acquisition, PPL and Pizza 73 amalgamated, continuing to operate as Pizza Pizza Limited.

Pizza Pizza Royalty Corp., ("PPRC" or the "Company"), indirectly through the Pizza Pizza Royalty Limited Partnership (the "Partnership"), has licensed the Pizza Pizza Rights and Marks to PPL, for which PPL pays a 6% royalty on the system sales of those Pizza Pizza restaurants included in the specific listing of restaurants referred to as the Royalty Pool. There are 630 Pizza Pizza restaurants in the Royalty Pool for 2015.

In July 2007, the Partnership acquired the Pizza 73 trademarks and other intellectual property associated with Pizza 73 (together, "Pizza 73 Rights"). The Partnership licensed the Pizza 73 Rights to PPL for a 9% royalty on system sales of the Pizza 73 restaurants included in the Royalty Pool. For 2015, there are 100 Pizza 73 restaurants in the Royalty Pool.

About the Pizza Pizza Brand

Pizza Pizza restaurants operate primarily in the province of Ontario, where it dominates the pizza quick service restaurant ("QSR") segment and is a franchise-oriented restaurant business. Of the 637 Pizza Pizza restaurants at June 28, 2015, 623 are franchised or licensed and 14 are owned and operated as corporate restaurants. Of the 637 restaurants, 228 are non-traditional locations which have limited operating hours and a limited menu.

PPL provides a high level of service and operational support to its partners, including turn-key restaurants, a central food distribution centre which supplies all food and non-food items used in Pizza Pizza restaurant operations, and monitoring systems intended to ensure product and service quality and operational consistency across the chain.

PPL has a modern restaurant system. The centrally managed renovation or re-imaging program, funded by our franchisees, allows for the continuous renewal of the Pizza Pizza concept.

About the Pizza 73 Brand

There are 102 Pizza 73 locations operating in the QSR segment, principally in the province of Alberta. The Pizza 73 restaurants are not franchised, but instead owned and operated as independent businesses. Each restaurant is operated by a corporation, with 73 jointly-owned by PPL and an independent owner/operator; one is owned and operated by PPL as a corporate restaurant. There are 28 non-traditional locations which have limited operating hours and a limited menu. Pizza 73 currently has five traditional locations outside of Alberta; three in Saskatchewan and two in British Columbia. Sales through its centralized call centre and on-line ordering, together, account for approximately 90% of Pizza 73's system sales. The Pizza 73 business also includes two central food distribution centres.

Background

PPL's three distinct revenue sources, food sales, royalty payments and profits from the 50% ownership in the Pizza 73 restaurants, are driven by changes in retail system sales at franchised, jointly controlled and company restaurants. Changes in system sales are driven by changes in same stores sales and store counts. We monitor both of these metrics closely, as they directly impact our revenues and profits, and we strive to consistently increase the related amounts.

We devote significant attention to our innovative marketing programs which are funded by the restaurant operators' contribution to a marketing fund that is administered by PPL. In accordance with their franchise or operating agreements, each traditional Pizza Pizza restaurant contributes approximately 6% of system sales (in addition to the base royalty and other franchise fees) and each Pizza 73 restaurant contributes approximately 8% of system sales.

PIZZA PIZZA LIMITED AND PIZZA PIZZA ROYALTY CORP.

As of January 1, 2015, PPL indirectly held an effective 29.0% interest in the Company (December 31, 2014 – 28.0%) by holding all Class B and Class D Units of the Partnership. PPL has the right to exchange one Class B or Class D Unit indirectly for that number of common shares of PPRC ("Shares") equal to the Class B Exchange Multiplier or Class D Exchange Multiplier, respectively, applicable at the date of such exchange, as described under "Royalty Pool Adjustments". The Class B and Class D Units are entitled to receive monthly distributions established by PPRC's board of directors. A monthly distribution is paid to both PPL and PPRC on a pro rata ownership basis, with PPRC's ownership held through its Class A and Class C limited partnership units of the Partnership.

Sale by PPL of 2,800,000 Equivalent Shares

On March 23, 2015, PPL entered into an underwriting agreement for the sale of 2,800,000 Shares of the Company at a price of $15.00 per share. In order to provide the 2,800,000 Shares to the underwriters, PPL exchanged 1,564,889 of its Class B Units of the Partnership, applying the Class B Exchange Multiplier of 1.789264. PPL's ownership of the Company's fully-diluted shares decreased from 29.0% to 19.9% as a result of this transaction.

The chart below shows the Shares that would be outstanding if all of the Class B and Class D Units of the Partnership held by PPL were converted to Shares of the Company on June 28, 2015.

Shares outstanding & issuable on June 28, 2015		
Shares outstanding		24,618,392
Class B equivalent Shares held by PPL at December 31, 2014	6,934,272	
PPL additional Class B equivalent Shares - True-up Holdback as at December 31, 2014	175,445	
Additional PPL Class B equivalent Shares as of January 1, 2015	178,183	
Conversion of Class B equivalent Shares to common shares of the Company	(2,800,000)	4,487,900
Class D equivalent Shares held by PPL at December 31, 2014	1,548,071	
PPL additional Class D equivalent Shares - True-up Holdback as at December 31, 2014	-	
Additional PPL Class D equivalent Shares as of January 1, 2015	88,162	1,636,233
Number of fully diluted shares		30,742,525
PPL's proportion of all Shares outstanding and available for exchange		19.9%

ROYALTY POOL ADJUSTMENTS

Annually, on January 1 (the "Adjustment Date"), an adjustment is made to the Royalty Pool to include the forecasted System Sales from new Pizza Pizza restaurants opened on or before December 31 of the prior year, less System Sales from any Pizza Pizza restaurants that have been permanently closed during the year. The change in the amount of the Royalty due to the Partnership as a result of changes in the System Sales of the Royalty Pool will affect PPL's retained interest through an adjustment to the rate at which the Class B units of the Partnership may ultimately be exchanged for Shares. On the Adjustment Date, the adjustment to the Class B Exchange Multiplier (as defined in the Pizza Pizza License and Royalty Agreement) involves first calculating the "Determined Amount", which is defined as 92.5% of the royalty revenue added to the Royalty Pool, divided by the prevailing yield of the Shares. Beginning January 1, 2012, the Determined Amounts are multiplied by a number equal to (1-Tax%) where "Tax%" is an estimate of the Company's effective tax rate for the year (determined using the total income taxes paid by the Company during the fiscal year divided by the total cash received by the Company during that fiscal year) (i.e., for the Adjustment Date of January 1, 2015, it will be the effective Company tax rate for the year ended December 31, 2014). This estimate of the effective tax rate will be subject to an adjustment when the actual effective entity level tax rate of the Company for the year is known. The Determined Amount is multiplied by 80%, then divided by the current market price of the Shares, and then further divided by the number of Class B units outstanding. This fraction is added to the Class B Exchange Multiplier from the preceding year, which was "one" on the closing of the Fund's initial public offering. On the following Adjustment Date, a second adjustment to the Class B Exchange Multiplier will be made in the same manner once the System Sales for new restaurants are known with certainty. The adjustment for new restaurants rolled into the Royalty Pool is designed to be accretive for current shareholders.

If, during a year, a Pizza Pizza restaurant is closed, the sales of the restaurant from the closing date would no longer be included in the calculation of the royalty payable to the Partnership by PPL. To compensate for this, in certain circumstances, the Pizza Pizza License and Royalty Agreement and the Partnership's Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") provide that an amount (the "Make-Whole Payment") reflecting the reduction in the royalty resulting from the restaurant closure will be paid by PPL to the Partnership for the balance of the year in which the restaurant was closed, commencing from the closing date. The Make-Whole Payment will be the sales of the closed restaurant for the first 52-week period in which it was included in the Royalty Pool multiplied by the royalty rate, one twelfth of which is payable each month until the Adjustment Date.

Similarly, on the Adjustment Date, a separate adjustment is made to the Royalty Pool for the Pizza 73 restaurants. The Royalty Pool is increased to include the forecasted System Sales from new Pizza 73 restaurants opened on or before September 1 of the prior year, less System Sales from any Pizza 73 restaurants that have been permanently closed during the year. On the Adjustment Date, the adjustment to the Class D Exchange Multiplier is calculated in a similar manner as the Class B Exchange Multiplier described above.

RESTAURANTS ADDED TO THE ROYALTY POOL

2014 Royalty Pool Adjustment

In early January 2015, adjustments to royalty payments and PPL's Class B Exchange Multiplier were made based on the actual performance of the 30 new restaurants added to the Royalty Pool on January 1, 2014. As a result of the adjustments, the new Class B Exchange Multiplier is 1.745518 and Class B Units can be exchanged for 7,109,717 shares, which is an increase of 175,445 shares, effective January 1, 2014.

In early January 2015, adjustments to royalty payments and PPL's Class D Exchange Multiplier were made based on the actual performance of the four Pizza 73 restaurants added to the Royalty Pool on January 1, 2014. As a result of the adjustments, the Class D Exchange Multiplier was unchanged and the final cash payment in-lieu of increasing the multiplier was $322,000, of which $284,000 was accrued at

December 31, 2014, based on the initial forecasted sales.

2015 Royalty Pool Adjustment – Class B Exchange Multiplier
On January 1, 2015, one net Pizza Pizza restaurant was added to the Royalty Pool as a result of 23 new restaurants opening and 22 closing from January 1, 2014 to December 31, 2014. The additional system sales from the 23 new restaurants are estimated at $8,950,000 annually, less sales of $4,899,000 from 22 permanently closed Pizza Pizza restaurants, resulting in net forecasted Pizza Pizza sales of $4,051,000 added to the Royalty Pool. The total number of Pizza Pizza restaurants in the Royalty Pool has increased to 630. The yield of the shares was determined to be 5.80% calculated using $13.79 as a weighted average share price. Weighted average share price is calculated based on the market price of the shares traded on the Toronto Stock Exchange during the period of twenty consecutive days ending on the fifth trading day before January 1, 2015. As a result of the contribution of the additional net sales to the Royalty Pool, the Class B Exchange Multiplier increased fractionally by 80% of the total adjustment, or 0.043746; the new Class B Multiplier is 1.789264. This adjustment will also increase the entitlement of the holders of the Class B units to distributions of cash and allocations of income from the Partnership. The second adjustment to the Class B Exchange Multiplier will be adjusted to be effective January 1, 2015, once the actual performance of the new restaurants is determined in early 2016.

2015 Royalty Pool Adjustment – Class D Exchange Multiplier
On January 1, 2015, seven net Pizza 73 restaurants were added to the Royalty Pool as a result of eight new restaurants opening and one restaurant closing between September 2, 2013 and September 1, 2014. The forecasted additional system sales from the eight new restaurants are estimated at $1,870,000 annually less $534,000 in system sales attributable to the one closed restaurant and the final step-out adjustment for one restaurant added to the Royalty Pool whose territory adjusted a previously existing restaurant. The total number of Pizza 73 restaurants in the Royalty Pool has increased to 100. The yield of and the weighted average share price used in the calculation of the Class D multiplier is determined in the same manner as that of the Class B multiplier calculation at 5.80% and $13.79, respectively. As a result of the contribution of the additional net sales to the Royalty Pool, the Class D Exchange Multiplier increased fractionally by 80% of the total adjustment or 0.88162; the new Class D Multiplier is 16.36233. This adjustment will also increase the entitlement of the holders of the Class D units to distributions of cash and allocations of income from the Partnership. The second adjustment to the Class D Exchange Multiplier will be adjusted to be effective January 1, 2015, once the actual performance of the new restaurants is determined in early 2016.

PPL's Ownership of the Company
In exchange for adding the forecasted Pizza Pizza system sales to the Royalty Pool, PPL has received 178,183 additional equivalent Shares (through the change to the Class B Exchange Multiplier). These represent 80% of the forecasted equivalent Shares entitlement to be received (222,729 equivalent Shares represent 100%), with the final equivalent Shares entitlement to be determined when the new restaurants' 2015 actual sales performance is known with certainty in early 2016.

In exchange for adding the forecasted Pizza 73 system sales to the Royalty Pool, PPL has received 88,162 additional equivalent Shares (through the change to the Class D Exchange Multiplier). These represent 80% of the forecasted equivalent Shares entitlement to be received (110,202 equivalent Shares represent 100%), with the final equivalent Shares entitlement to be determined when the new restaurants' 2015 actual sales performance is known with certainty in early 2016.

After giving effect to PPL's entitlement to additional equivalent Shares at January 1, 2015, PPL owned equivalent Shares representing 29.0% of the Company's fully diluted shares. The ownership decreased to 19.9% on March 23, 2015 as a result of the sale of 2,800,000 Shares of the Company. (See "Sale by PPL of 2,800,000 Equivalent Shares")

SELECTED FINANCIAL DATA

The selected financial data set forth below should be read in conjunction with the Quarter and Period ended June 28, 2015 unaudited interim condensed consolidated financial statements and related notes thereto. PPL has a floating year-end of the Sunday closest to December 31, accordingly, quarters consist of four 13-week periods with an additional week added to the last quarter every 5 to 6 years which was the case in fiscal 2009.

Consolidated Financial Data and Adjusted EBITDA[1] Calculation

	For the 13-week period ended June 28, 2015	For the 13-week period ended June 29, 2014	For the 26-week period ended June 28, 2015	For the 26-week period ended June 29, 2014
	(in thousands of dollars except for number of restaurants)			
System Sales[2],[3]	129,915	121,541	261,951	248,667
Same Store Sales Growth (SSSG) [4]	6.0%	(0.3%)	4.2%	0.7%
Number of Restaurants:				
Traditional	483	477	483	477
Non-traditional	256	250	256	250
New restaurants opened	7	11	12	13
Restaurants closed	3	4	5	9
Revenues	52,835	48,543	105,022	98,251
Cost of food sales and general & administrative	(47,595)	(44,722)	(92,972)	(88,807)
Equity income from the Partnership	1,504	1,937	3,428	3,924
Royalty payments	(8,509)	(7,927)	(16,948)	(16,054)
Operating profit (loss)	(253)	(466)	1,968	1,009
Income tax recovery (expense)	538	106	(6,651)	(322)
Profit for the Period	1,349	795	26,493	4,242
Add (deduct):				
Equity income from Partnership	(1,269)	(1,937)	(3,193)	(3,924)
Royalty payments to the Partnership	8,509	7,927	16,948	16,054
Amortization of deferred gain	(583)	(583)	(1,165)	(1,165)
Amortization	487	545	950	1,101
Interest (income) / expense, net	(171)	(295)	(354)	(518)
Gain on sale of Company restaurants	(43)	(6)	(131)	(234)
Income from Class D vend-in	-	-	(38)	(1,136)
Gain on sale of Class B Partnership Units	(7)	-	(28,970)	-
Provision for (recovery of) income taxes:				
Current	(287)	335	9,974	680
Deferred	(251)	(441)	(3,323)	(358)
Adjusted EBITDA [1]	**7,734**	**$ 6,340**	**17,191**	**14,742**

Notes:

(1) "EBITDA" is not a recognized measure under IFRS. References to EBITDA are to earnings determined in accordance with IFRS applicable to the financial statements before amounts for interest, taxes and depreciation and amortization. In addition, PPL has adjusted EBITDA for unusual charges in an attempt to demonstrate PPL operations as if a recombination of PPL and the PPRC occurred. Adjusted EBITDA excludes gains and losses on sales of assets and other items resulting from its relationship with the Partnership. PPL believes that, in addition to net earnings, adjusted EBITDA is a useful supplemental measure in evaluating its performance as it provides investors with an indication of cash available for debt service, working capital needs and capital expenditures. Investors are cautioned, however, that adjusted EBITDA should not be construed as an alternative to the statement of cash flows as a measure of liquidity and cash flows. The method of calculating adjusted EBITDA for the purposes of this MD&A may differ from that used by other issuers and, accordingly, adjusted EBITDA in this MD&A may

not be comparable to adjusted EBITDA used by other issuers.

(2) PPL has a floating year-end of the Sunday closest to December 31, accordingly, interim periods consist of four 13-week periods with an additional week added to the last interim period every 5 to 6 years. A 53rd week was added to fiscal 2009 resulting in the year ending on January 3, 2010.

(3) System Sales (as defined in the License and Royalty Agreements) reported by Pizza Pizza and Pizza 73 restaurants include the gross sales of Pizza Pizza company-owned, jointly-controlled and franchised restaurants, excluding sales and goods and service tax or similar amounts levied by any governmental or administrative authority. System Sales do not represent the consolidated operating results of the Company but are used to calculate the royalties payable to the Partnership as presented above.

(4) Same store sales growth ("SSSG") means the change in annual gross revenue of a particular Pizza Pizza or Pizza 73 restaurant as compared to sales in the previous period, where the restaurant has been open at least 13 months. Additionally, for a Pizza 73 restaurant whose restaurant territory was adjusted due to an additional restaurant, a Step-Out Payment may be added to sales to arrive at SSSG.

RESULTS OF OPERATIONS

The following should be read in conjunction with the Selected Financial Data provided herein and in conjunction with the unaudited interim condensed consolidated financial statements and related notes of PPL for the 13 and 26-week periods ended June 28, 2015. (See "Critical Accounting Policies and Estimates")

Analysis of System Sales

System sales for the Quarter increased 6.9% to $129.9 million from $121.5 million for the Quarter ended June 29, 2014. By brand, for the Quarter, the system sales include $106.9 million in Pizza Pizza retail sales and $23.0 million in Pizza 73 retail sales, as compared with system sales of $100.0 million in Pizza Pizza retail sales and $21.5 million in Pizza 73 retail sales for the comparable quarter in 2014.

System sales for the Period ended June 28, 2015 increased 5.3% to $262.0 million from $248.7 million for the Period ended June 29, 2014. By brand for the period, the system sales include $215.0 million in Pizza Pizza retail sales and $47.0 million in Pizza 73 retail sales, as compared with system sales of $204.6 million and $44.1 million for Pizza Pizza and Pizza 73, respectively, for the comparable period in 2014. The increase in system sales is primarily attributed to the new stores added less restaurant closures since June 30, 2014.

SSSG, the key driver of yield growth for shareholders of the Company, increased by 6.0% (0.3% decrease – 2014) for the Quarter when compared to the same period in 2014. For the Period, SSSG increased by 4.2% when compared to the same period in 2014 (0.7% increase – 2014).

SSSG	First Quarter (%)		Year to date (%)	
	2015	**2014**	**2015**	**2014**
Pizza Pizza	6.0	-2.1	4.1	-0.8
Pizza 73	5.7	8.8	4.7	8.0
Combined	6.0	-0.3	4.2	0.7

SSSG is driven by the growth in the average customer check and in customer traffic both of which are affected by changes in pricing and sales mix. During the Quarter, the average check and traffic both increased; during the Period, the average check decreased slightly while customer traffic increased significantly when compared to the same Period last year.

New Restaurant Development

As at June 28, 2015, there were 409 traditional Pizza Pizza restaurants and 74 traditional Pizza 73 restaurants; there were 228 non-traditional Pizza Pizza locations and 28 non-traditional Pizza 73 locations.

PPL opened a net four restaurants in the Quarter. By brand, one traditional and five non-traditional Pizza Pizza locations were opened and three non-traditional locations closed, bringing the total number to 637. Pizza 73 opened one traditional location, bringing the total number of P73 restaurants to 102. During the comparable quarter in 2014, PPL opened a net, seven restaurants in the Quarter, consisting of two Pizza Pizza and five Pizza 73 restaurants. By brand, PPL opened four traditional restaurants and two non-traditional Pizza Pizza locations while four non-traditional Pizza Pizza locations closed, bringing the total number to 629. Pizza 73 opened one traditional and four non-traditional locations, bringing the total number to 98.

PPL opened a net, seven restaurants in the Period. By brand, PPL opened one traditional restaurant and 10 non-traditional Pizza Pizza locations and closed four non-traditional locations. Pizza 73 opened one and closed one traditional restaurant during the Period. During the comparable Period in 2014, PPL opened a net, four restaurants in the Period, consisting of four Pizza 73 restaurants. By brand, there was no change in the total number of Pizza Pizza restaurants as PPL opened five traditional restaurants and three non-traditional Pizza Pizza locations and closed eight non-traditional locations. Pizza 73 opened one traditional and four non-traditional restaurants and one non-traditional location closed during the Period.

Segmented Reporting

As previously discussed, PPL operates two brands. While each brand operates in a similar market segment, the pizza QSR segment, they are in different geographic markets of Canada. Pizza Pizza operates mainly in the Ontario and Quebec ("Eastern Canada") pizza QSR segment, whereas Pizza 73 operates mainly in the Alberta ("Western Canada") pizza QSR segment.

The following table outlines the operations of the two reporting segments:

For the 13-week period ended June 28, 2015	Pizza Pizza	Pizza 73	Eliminations	Total
Food sales	45,656	11,088	(10,959)	45,785
Royalties, franchise fees and other revenue	6,318	732	-	7,050
Interest and other income	415	65	(1)	479
Cost of food sales	36,680	4,561	(4,506)	36,735
General and administrative expenses	9,994	5,318	(4,452)	10,860

For the 13-week period ended June 29, 2014	Pizza Pizza	Pizza 73	Eliminations	Total
Food sales	41,670	10,556	(10,439)	41,787
Royalties, franchise fees and other revenue	5,964	792	-	6,756
Interest and other income	580	38	(2)	616
Cost of food sales	33,918	4,265	(4,217)	33,966
General and administrative expenses	9,864	5,169	(4,277)	10,756

For the 26-week period ended June 28, 2015	Pizza Pizza	Pizza 73	Eliminations	Total
Food sales	90,455	22,544	(22,287)	90,712
Royalties, franchise fees and other revenue	12,825	1,485	-	14,310
Interest and other income	852	162	(4)	1,010
Cost of food sales	72,388	9,243	(9,137)	72,494
General and administrative expenses	19,029	10,433	(8,984)	20,478

For the 26-week period ended June 29, 2014	Pizza Pizza	Pizza 73	Eliminations	Total
Food sales	84,147	21,478	(21,246)	84,379
Royalties, franchise fees and other revenue	12,364	1,508	-	13,872
Interest and other income	1,199	120	(11)	1,308
Cost of food sales	67,852	8,714	(8,620)	67,946
General and administrative expenses	19,373	10,046	(8,558)	20,861

The following discussion offers further details regarding PPL's segmented results prior to eliminations.

Revenues

Food sales, royalties, franchise fees and related revenue for the Quarter were $52.8 million, compared with $48.5 million for the 13-week period ended June 29, 2014. Food sales for the Quarter increased 9.6% to $45.8 million compared to $41.8 million for the quarter ended June 29, 2014. Royalties, franchise fees and other revenue from restaurants for the Quarter ended June 28, 2015, was $7.1 million compared to $6.8 million for the quarter ended June 29, 2014.

By geographic market, for the Quarter, food sales, royalties and franchise fees in Eastern Canada were $52.0 million as compared with $47.6 million for the comparable quarter in 2014, and, in Western Canada, were $11.8 million for the Quarter as compared with $11.4 million for the comparable quarter in 2014. Food sales in Eastern Canada for the Quarter were $45.7 million compared to $41.7 million for the same period in 2014. Royalties, franchise fees and other revenue for Eastern Canada were $6.3 million for the Quarter as compared to $6.0 million for the same period in 2014. For the Quarter, food sales in Western Canada were $11.1 million compared to $10.6 million in the comparable period of 2014. Administration and accounting fee revenue earned in Western Canada increased slightly to $732,000 for the Quarter compared to $792,000 in the comparable period in 2014.

For the Quarter, the increase in revenue is mainly due to an increase in food sales attributed to SSSG of 6.0%.

Food sales, royalties, franchise fees and related revenue for the Period ended June 28, 2015 were $105.0 million, compared with $98.3 million for the comparable period in 2014. Food sales for the period increased 7.5% to $90.7 million from $84.4 million for the Period ended June 29, 2014. Royalties, franchise fees and other revenue from restaurants were $14.3 million for the Period ended June 28, 2015 and were $13.9 million for the comparable period of 2014.

By geographic market, for the Period ended June 28, 2015, food sales, royalties and franchise fees in Eastern Canada were $103.3 million as compared with $96.5 million for the comparable quarter in 2014, and were $24.0 million as compared with $23.0 million in Western Canada. Food sales in Eastern Canada for the Period ended June 28, 2015 were $90.5 million compared to $84.1 million for 2014. Royalties, franchise fees and other revenue for Eastern Canada were $12.8 million as compared to $12.4 million for the same period in 2014. For the Period ended June 28, 2015, food sales in Western Canada were $22.5 million, compared with $21.5 million in the comparable period 2014. Administration and accounting fee income earned in Western Canada was $1.5 million for the Period ended June 28, 2015 compared to $1.5 million for the comparable period of 2014.

Cost of Food Sales

The cost of food sales increased to $36.7 million during the Quarter from $34.0 million in the 13-week period of 2014. By geographic market, the cost of food for Eastern and Western Canada for the Quarter was $36.7 million and $4.6 million, respectively compared to $33.9 million and $4.3 million, respectively, in the comparable quarter of 2014. The increase in cost of food sales is in line with the increase in sales and SSSG.

The cost of food increased to $72.5 million during the Period from $68.0 million in the prior year comparable quarter. By geographic market, the cost of food for Eastern Canada was $72.4 million for the period as compared to $67.9 million in the prior year comparable period; cost of food for Western Canada for the Period was $9.2 million as compared to $8.7 million in 2014. The increase in cost of food sales is in line with the increase in sales and SSSG.

General and Administrative ("G&A") Expenses
G&A remained fairly consistent at $10.9 million from $10.8 million, when compared to the same quarter in 2014. The Quarter's G&A expense for Eastern Canada, including company store expenses, increased $130,000 to $10.0 million from $9.9 million in the same quarter last year. The Quarter's G&A expense for Western Canada, including company store expenses, increased slightly to $5.3 million, compared to $5.2 million in the same quarter of 2014.

For the six month Period, G&A decreased over the prior year comparable period to $20.5 million from $20.9 million. The period's G&A expense for Eastern and Western Canada, including company store expenses, were $19.0 million and $10.4 million, respectively, as compared to the prior year's comparable periods of $19.4 million and $10.1 million, respectively. Decrease in Eastern Canada is mainly attributed to a decrease in the provision for doubtful accounts, whereas Western Canada increased mainly due to an increase in payroll and benefits of $0.4 million.

Royalty Payments
As per the License & Royalty Agreements, PPL pays the Partnership a royalty based on the system sales at the Pizza Pizza and Pizza 73 restaurants in the Royalty pool.

For the Quarter and Period, total royalty payments were $8.5 million and $16.9 million, respectively, compared to $7.9 million and $16.1 million for the comparable Quarter and Period in 2014. By brand, PPL paid a 6% royalty on the gross sales from Pizza Pizza restaurants in the Royalty Pool, or $6.4 million for the Quarter and $12.7 for the Period, compared to $6 million and $12.1 million, respectively, for the comparable periods in 2014. PPL paid a 9% royalty on the gross sales from the Pizza 73 restaurants in the Royalty Pool, or $2.1 million for the Quarter and $4.2 million for the Period, compared to $1.9 million and $4.0 million, respectively, for the comparable Quarter and Period in 2014. For the Quarter, the increase in royalty payments is due to new restaurants added to the royalty pool on January 1st and an increase in SSSG.

Equity income from Pizza Pizza Royalty Limited Partnership
PPL accounts for its investment in the Partnership using the equity method of accounting. As at June 28, 2015, PPL owned an effective 19.9% interest in PPRC, compared to 28.0% at June 29, 2014. PPL's 19.9% interest in the earnings of the Partnership is through its ownership of Class B and Class D Units of the Partnership. For the Quarter and Period ended June 28, 2015, equity income earned was $1.3 million and 3.2 million respectively, compared to $1.9 million and $3.9 million for the comparable periods in 2014.

Equity income from Jointly-controlled companies
Jointly-controlled companies are joint ventures, consisting of PPL's 50% interest in 73 Pizza 73 restaurants for the Quarter ended June 28, 2015. For the Quarter and Period ended June 28, 2015, equity income earned was $1.7 million and $3.5 million, compared to $1.7 million and $3.5 million respectively, for the comparable periods in 2014.

Gain/Loss on Sale of Company Restaurants and Jointly-Controlled Restaurants
For the Quarter, PPL sold three company restaurants for a gain of $43,000 compared to the 13-week period ended June 29, 2014 during which one company restaurant was sold for a gain of $6,000.

For the 26-week period ended June 28, 2015, PPL sold seven company restaurants for a net gain of $131,000 compared to the 26-week period ended June 29, 2014 in which the company sold three company restaurants for a net gain of $234,000.

Interest and Other Income
Interest and other income earned by PPL decreased to $479,000 for the Quarter compared to $616,000 for the comparable quarter of 2014. For the Period, Interest and other income earned by PPL was $1.0 million, compared to $1.3 million for the prior year comparable period. The interest income was earned on notes receivable from franchisees which are unsecured and are repayable in varying monthly principal amounts. The decrease in interest and other income is mainly due to lower notes receivable from franchisees.

Interest Expense on Borrowings
Interest expense during the Quarter and Period of $5,000 and $7,000 was paid on bank term loans and notes payable which are related to owned restaurants compared to $44,000 and $54,000 for the prior quarter and period respectively. In the current period, PPL has made repayments on borrowings, and in turn there was a decrease in the interest expense.

Gain on Sale of Class B Partnership Units
Pursuant to the Exchange Agreement, PPL exchanged 1,564,889 Class B Partnership Units for 2,800,000 common shares of PPRC, using the exchange multiplier of 1.789264. PPL sold the 2,800,000 common shares to a syndicate of underwriters at a price of $15 per Share for gross proceeds of $42.0 million resulting in a net gain of $29.0 million.

Current income tax expense (recovery)
Current income tax recovery for the Quarter was $287,000, compared to an expense of $335,000 for the comparative quarter of 2014. For the six month Period, current income tax expense was $10.0 million compared to $680,000 for the same period in 2014. The increase in tax expense is due to the income tax payable on the gain on sale of Class B Partnership Units.

Deferred tax recovery
For the Quarter and Period, deferred tax recovery was $251,000 and $3.3 million respectively, compared to a deferred tax recovery of $441,000 and $358,000 for the comparable periods of 2014. The increase in deferred tax recovery is mainly due a decrease in taxable temporary differences on the sale of Class B Partnership Units.

Net Income
PPL reported earnings of $1.4 million and $26.5 million for the Quarter and Period respectively, compared to earnings of $795,000 and $4.2 million, respectively, for the comparable periods in 2014. The increase in earnings for the Period is largely attributable to the gain on sale of Partnership Units of $29.0 million and increase in deferred tax recovery by $3.3 million, partially offset by an increase in current income tax expense of $10.0 million and decrease of $1.1 million in cash received in lieu of Class D equivalent shares compared to the same period in 2014.

Shareholders' Deficiency
The $101.6 million shareholders' deficiency shown in the consolidated statements of financial position at June 28, 2015, is largely a result of PPL having paid $107.5 million in capital dividends to shareholders in 2005, $16.8 million in capital dividends in 2007, $7.2 million in capital dividends in 2012, and $39.0 million in dividends in 2015. The source of dividends to shareholders was the proceeds received from the Partnership in payment for the PPL Rights & Marks in 2005, funds from operations since 2005, and proceeds from the sale of Class B Partnership Units in 2015. PPL has a remaining balance of $207.4 million on the deferred gain from the original sale of the PPL Rights as at June 28, 2015, which is being amortized into earnings over a term of 99 years.

SUMMARY OF QUARTERLY RESULTS

The Pizza Pizza and Pizza 73 restaurants are subject to seasonal variations in their business; system sales for the quarter ended March 31 have generally been the softest and the December 31 quarter system sales have been the strongest.

	13 weeks ended June 28, 2015	13 weeks ended March 29, 2015	13 weeks ended December 28, 2014	13 weeks ended September 28, 2014	13 weeks ended June 29, 2014	13 weeks ended March 30, 2014	13 weeks ended December 29, 2013 (restated) (1)	13 weeks ended September 29, 2013 (restated) (1)
	(in thousands of dollars)							
Revenues	$52,835	$ 52,187	$ 54,195	$ 49,997	$ 48,543	$ 49,708	$ 52,469	$ 48,706
Net income	$1,349	$ 25,144	$ 3,007	$ 2,563	$ 795	$ 3,447	$ 665	$ 1,866
Adjusted EBITDA(1)	$7,734	$ 9,457	$ 9,011	$ 8,654	$ 6,340	$ 8,402	$ 6,490	$ 7,701

(1) IFRS 11 has been adopted in 2014 and applied retrospectively, pursuant to which Jointly-controlled companies are now being equity accounted and proportionate consolidation has been discontinued. Therefore revenue and adjusted EBITDA have been restated and, thus, will not match the reconciliation of Adjusted EBITDA to Net Income that appears in PPL's MD&A filed for each of the respective periods presented above.

LIQUIDITY & CAPITAL RESOURCES

The following table provides an overview of the cash flows for the periods:

	For the 26-weeks ended June 28, 2015	For the 26-weeks ended June 29, 2014
Operating activities	$ (7,067)	$ (3,155)
Investing activities	45,689	8,790
Financing activities	(34,374)	(1,808)
Increase in cash	$ 4,248	$ 3,827

As of June 28, 2015, PPL had working capital of $16.3 million and cash and cash equivalents and short term investment were $31.5 million. Historically, PPL has, at times, operated with negative working capital primarily because its receivable collection periods and inventory turn rates are faster than the normal payment terms of current liabilities. We collect most of our receivables within seven days from the date of the related sale and pay the payables within 30 days; we generally experience over 100 turns of inventory per year. These factors, coupled with significant and ongoing cash flows from operations, which are used primarily to pay the Partnership the royalty on the Royalty Pool system sales, may reduce our working capital amounts. Our primary sources of liquidity are cash flows from operations and distributions received on PPL's interest in PPRC. We have historically funded capital expenditures and debt repayments from cash flows from operations and proceeds from the disposal of company-owned restaurants. We did not have any material commitments for capital expenditures as of June 28, 2015.

Cash used in operating activities for the Period was $7.1 million compared with $3.2 million used in operating activities for the comparable period in 2014. The $3.9 million increase of cash used is largely due to the receipt of $3 million in proceeds of an unearned vendor allowance in 2014.

Cash provided by investing activities for the Period was $45.7 million compared to $8.8 million in the comparable period in 2014, mainly due to net proceeds from sale of Class B Partnership Units of $39.9 million, partially offset by higher additions to property, plant and equipment by $2.6 million.

Cash used in financing activities for the Period was $34.4 million compared to $1.8 million for the comparable period. The increase in cash used in financing activities is mainly due to a $39 million shareholder dividend paid partially offset by $5.3 million in net advances from a related party. The source of funds for the dividend was the sale of the Class B Partnership Units.

Certain bank covenants must be maintained by PPL and are related to the Partnership's credit facility, all of which were met as of June 28, 2015.

Based upon our current level of operations and anticipated growth, we believe that the cash generated from our operations will be adequate to pay the Partnership a 6% royalty on the Pizza Pizza Royalty Pool System Sales and a 9% royalty on the Pizza 73 Royalty Pool System Sales, plus meet our anticipated debt service requirements, our capital expenditures and our working capital needs. Our ability to continue to fund these items could be adversely affected by the occurrence of any of the events described in the Risks and Uncertainties section that follows herein and the matters described in PPRC's Annual Information Form under the heading "Risk Factors". Our future operating performance and our ability to pay the Partnership a 6% royalty on the Pizza Pizza Royalty Pool System Sales, a 9% royalty on the Pizza 73 Royalty Pool System Sales and meet our anticipated debt service requirements will be subject to future economic conditions and to financial, business and other factors, many of which may be beyond our control. However, to offset the factors that are beyond our control, PPL has the ability to convert its current Class B and Class D Units into shares of PPRC and sell them to the public to generate cash proceeds.

OFF-BALANCE SHEET ARRANGEMENTS

PPL is a sub lessor under the head lease for all restaurant locations, other than locations operated by certain licensees. Should franchisees fail to meet their obligations under the terms of their sublease, PPL would become liable for the obligations under the related head leases. The gross lease obligations are summarized in the following table:

	Payments due by Period					
	2016	**2017**	**2018**	**2019**	**2020**	**Thereafter**
	(in thousands of dollars)					
Minimum lease obligation	24,236	21,270	17,369	12,813	8,547	21,166
Less: Sublease to franchisees	20,947	17,799	14,321	9,779	6,342	10,261
Net lease obligation	3,289	3,471	3,048	3,034	2,205	10,905

PPL has provided certain guarantees as disclosed in note 7 of the unaudited interim condensed consolidated financial statements with respect to certain franchisee loans. We believe that guarantees of franchisee loans are a low risk since PPL has, historically, been able to replace a defaulting franchisee with a new franchisee who has assumed the obligations of the defaulting franchisee.

OUTLOOK

PPL reported SSSG of 6.0% for the second quarter as consumers responded well to the current marketing campaign which encourages consumers to "get to know our new pizza flavour". In addition, the value messages promoting high-quality menu offerings in both Eastern and Western Canada continue to provide consistent, stable sales growth.

By brand, Pizza 73, operating largely in Alberta, reported 5.7% SSSG for the Quarter which was its 20th consecutive quarter of positive SSSG. The Pizza Pizza brand reported 6.0% SSSG for the Quarter as consumer traffic in the Ontario and Quebec markets increased significantly over last year.

The recent decline in the price of crude oil continues to work its way through the economy and management is closely monitoring the potential impact, if any, the movement in price may have on Royalty Pool System Sales.

PPL continues to focus on its major growth priorities of staying relevant to the consumer, modernizing the customer experience and maintaining brand dominance in its key markets. PPL believes these priorities align with evolving consumer needs and will drive long-term sustainable growth, especially when combined with its competitive advantages of convenience, innovation, high-quality menu offerings and geographic diversification.

PPL believes its leading market share in its major markets presents long-term opportunities for continued sales growth, especially with new product introductions and the further expansion of digital ordering platforms that increase PPL's convenience factor.

TRANSACTIONS WITH RELATED PARTIES

PPL has entered into related party transactions with companies under common control. These transactions are entered into in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Significant related party transactions include rent expense, distributions on Class B and Class D Partnership Units, management fees and food purchases as disclosed in note 13 of the unaudited interim condensed consolidated financial statements of PPL. Distributions payable and advances to or from related parties and receipt of or repayments of advances from related parties are summarized in note 13 of the unaudited interim condensed consolidated financial statements of PPL.

CRITICAL ACCOUNTING POLICIES & ESTIMATES

The preparation of the audited consolidated financial statements of Pizza Pizza requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures of contingent assets and liabilities. On an ongoing basis, management evaluates its estimates, including those related to basis of consolidation, revenue recognition, long-lived and intangible assets and income taxes. We base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from those estimates. Changes in our estimates could materially impact our results of operations and financial condition for any particular period. We believe that our most critical accounting policies are:

Consolidation - Determining which entities are to be consolidated by PPL requires judgment on the definition of control. The definition of Control under IFRS 10, *Consolidated Financial Statements* (IFRS 10), states an investor controls an investee when has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Based on an assessment of the activities of the Partnership and the franchisees, it was concluded that PPL does not control these entities, and therefore shall not consolidate their operations.

The Partnership shall be consolidated by the Pizza Pizza Royalty Income Fund ("Fund"), which as of December 31, 2012 completed the conversion from an income trust to a corporation through the incorporation of Pizza Pizza Royalty Corp ("PPRC"). PPRC continues to carry on business of the Fund unchanged except that PPRC is subject to tax as a corporation.

Investment in associate - An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

PPL owns Class B and Class D Partnership Units that are exchangeable for Pizza Pizza Royalty Corp. ("PPRC") Common Shares based on the exchange multiplier applicable at the exchange date and represent an effective 28.0% interest in the Pizza Pizza Royalty Limited Partnership ("Partnership") as at December 28, 2014. Although PPL holds less than 20% of the ownership interest and voting control of the Partnership, PPL has the ability to exercise significant influence through both its shareholding and its nominated director's active participation on the Partnership Board of Directors.

PPL accounts for its 19.9% (December 28, 2014 – 28.0%) share interest in the Partnership as an investment in an associate and applies equity accounting whereby PPL's investment is increased by its 19.9% share of profit for the period of the Partnership and reduced for distributions received during the Partnership's fiscal period. The Partnership's financial and fiscal periods differ from PPL's, as the Partnership operates on a calendar year end.

PPL assesses at each period-end whether there is any objective evidence that its interest in the Partnership is impaired. If impaired, the carrying value of PPL's share of the underlying assets of the Partnership is written down to its estimated recoverable amount, being the higher of fair value less cost to sell and value in use, and the write-down is charged to the consolidated statements of income.

Investments in joint ventures - A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

PPL accounts for its 50% (December 28, 2014 – 50%) share interest in the 73 jointly-controlled companies as an investment in a joint ventures and applies equity accounting whereby PPL's investment is increased by its 50% share of profit for the period of the joint ventures and reduced for distributions received during the joint ventures fiscal period. The jointly-controlled companies financial and fiscal periods differ from PPL's, as the joint ventures have a floating year-end of the Saturday closest to July 31.

PPL assesses at each period-end whether there is any objective evidence that its interest in the joint ventures is impaired. If impaired, the carrying value of PPL's share of the underlying assets of the joint ventures is written down to its estimated recoverable amount, being the higher of fair value less cost to sell and value in use, and charged to the consolidated statements of income.

Allowance for doubtful accounts - PPL must make an assessment of whether accounts receivable and notes receivable are collectible from customers. Accordingly, management establishes an allowance for estimated losses arising from non-payment and other adjustments, taking into consideration customer creditworthiness, current economic trends and past experiences. If future collections differ from estimates, future earnings will be affected.

Income taxes - PPL computes an income tax provision. However, actual amounts of income tax expense only become final upon filing and acceptance of the tax return by the relevant taxation authorities, which occur subsequent to the issuance of these audited consolidated financial statements. Additionally estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the ability to use the underlying future tax deductions before they expire against future taxable income. The assessment is based upon existing tax laws and estimates of future taxable income. To the extent estimates differ from the final tax return, profit would be affected in a subsequent period.

Revenue Recognition - Food sales are recognized when the products are delivered to the traditional and non-traditional restaurants. Franchise royalties and administrative and accounting fees are recognized as earned and are based on a percentage of the franchisees' sales as provided for in individual franchise agreements. Initial and renewal franchise fees are recognized at the commencement of the initial term of the franchise agreement and upon the renewal of such an agreement. The initial franchise fee is payable, in full, at the commencement of the agreement. The renewal fee is charged to franchisees upon renewal of their franchise agreement which is typically five years from the initial agreement. Company store sales are recognized when the services are rendered and the products are sold to the public. Construction fees are recognized when the costs are incurred. Interest and other income are recognized and accrued when earned.

Identification of CGUs - For the purposes of identifying CGUs, assets are grouped at the lowest levels for which there are separately identifiable cash flows. PPL concludes there are interdependencies of cash flows between P73 restaurants and PPL and therefore; the investment in jointly-controlled P73 restaurants is considered a single CGU. PPL's assets pertaining to Pizza Pizza operations are classified as a separate CGU.

Sale of rights and marks and annual vend-ins - PPL has applied judgment in assessing the application of the revenue recognition accounting policy for the initial sale of Rights and Marks, and the annual vend-ins of restaurants in the Royalty Pool. In making their assessment, management considered the substance of these transactions and whether the risks and rewards of ownership have been transferred. Based on this assessment, management has determined that revenue relating to the sale will be deferred and amortized as earned and that the subsequent vend-ins will have no impact on PPL. Cash in lieu of vend-ins is considered as proceeds of disposition of the contractual right to an increase in the Exchange Multiplier and is taken to income when due.

Renovation Funds - PPL maintains a long-term renovation program whereby franchisees contribute towards future store renovations and upgrades. The franchise owner acknowledges that the renovation fund contribution may be used by PPL, without interest or other compensation to the franchise owner, to fund the renovation, expansion or relocation of other Pizza Pizza outlets until such time as the funds are required by the franchise owner for renovation, expansion or relocation of the franchised outlet.

RECENT ACCOUNTING PRONOUNCEMENTS

Standards, amendments and interpretations to existing standards that are not yet effective and have not yet been early adopted by PPL:

IFRS 15 - *Revenue from Contracts with Customers* (IFRS 15). In May 2014, the IASB issued IFRS 15, which covers principles for reporting about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. IFRS 15 is effective for annual periods beginning on or after January 1, 2017. PPL is in the process of reviewing the standard to determine the impact on the unaudited interim condensed consolidated financial statements.

On April 28, 2015, the International Accounting Standards Board (IASB) agreed to publish an Exposure Draft proposing a one-year deferral of the effective date of the revenue standard to January 1, 2018.

IFRS 9, *Financial Instruments* (IFRS 9). On July 24, 2014, International Financial Reporting Standard 9, Financial Instruments IFRS 9, Financial Instruments, as issued in 2014, introduces new requirements for the classification and measurement of financial instruments, a new expected-loss impairment model that will require more timely recognition of expected credit losses and a substantially reformed model for hedge accounting, with enhanced disclosures about risk management activity. IFRS 9 also removes the volatility in profit or loss that was caused by changes in an entity's own credit risk for liabilities elected to be measured at fair value. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted. The Company has not yet begun the process of evaluating the impact of this standard on its unaudited interim condensed consolidated financial statements.

Amendments

IAS 19 - *Employee Benefits* (IAS 19). The amendments to IAS 19, simplified the accounting for contributions to defined benefit plans that are independent of the number of years of service. For 26-week period ended June 28, 2015, there was no impact on the financial performance or disclosures of the Company upon adoption.

RISKS & UNCERTAINTIES

The performance of PPL is primarily dependent upon its ability to maintain and increase system sales at the Pizza Pizza and Pizza 73 restaurants, add new profitable restaurants to the network and attract qualified restaurant operators. Sales are subject to a number of factors that affect the restaurant industry generally and the quick service segment of this industry, in particular, which is highly competitive with respect to price, service, location and food quality. In addition, factors such as the availability of experienced management and hourly employees may also adversely affect the system sales. Competitors include national and regional chains, as well as independently-owned restaurants and retailers of frozen pizza. If PPL and the Pizza Pizza and Pizza 73 restaurants are unable to successfully compete in the quick service sector, system sales may be adversely affected. Changes in demographic trends, traffic patterns and the type, number and location of competing restaurants also affect the restaurant industry. In addition, factors such as government regulations, risk of technology failures, inflation, publicity from any food-borne illnesses and increased food, labour and benefits costs may adversely affect the restaurant industry in general and therefore, potentially, system sales. PPL's success also depends on numerous factors affecting discretionary spending, including economic conditions, disposable consumer income and consumer confidence. Adverse changes in these factors could reduce guest traffic or impose practical limits on pricing, either of which could reduce revenue and operating income, which could adversely affect system sales and the ability of PPL to pay the royalty to the Partnership.

For a more detailed list of risks and uncertainties please refer to the PPRC's Annual Information Form which is available on the investor relations section of the website www.pizzapizza.ca or on the SEDAR website for Canadian regulatory filings at www.sedar.com.

FORWARD-LOOKING STATEMENTS

Certain statements in this report, including those concerning our plans and strategies described under "Outlook", may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this report, such statements include such words as "may", "will", "expect", "believe", "plan", and other similar terminology in conjunction with a discussion of future operating or financial performance. These statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this report. These forward-looking statements involve a number of risks and uncertainties. The following are some factors that could cause actual results to differ materially from those expressed in or underlying such forward-looking statements: competition, changes in demographic trends, changing consumer preferences and discretionary spending patterns, changes in national and local business and economic conditions, legislation and governmental regulation, accounting policies and practices, and the results of operations and financial condition of PPL. The foregoing list of factors is not exhaustive and should be considered in conjunction with the other risks and uncertainties described in PPRC's Annual Information Form. PPL assumes no obligation to update these forward looking statements, except as required by applicable securities laws.

ADDITIONAL INFORMATION

Other information about PPL and PPRC, including the Annual Information Form, can be accessed on the investor relations section of the website www.pizzapizza.ca or on the SEDAR website for Canadian regulatory filings at www.sedar.com.