

VAPIANO INTERNATIONAL FRANCHISING



VAPIANO®

PASTA | PIZZA | BAR

WHY VAPIANO?




Everything you need to know about becoming a franchise partner.

Vapiano is looking for great partners to join its worldwide expansion. Since its initial opening in Hamburg in 2002, Vapiano has grown to over 130 locations in Europe, the Americas, Asia, Australia and Africa, offering fresh casual cuisine, Mediterranean flair, a climate of openness and the enjoyment of the simple pleasures of life.

Are you up to joining our unique Vapiano family? Let us tell you a bit about ourselves, our brand, and the search for our kind of franchise partners.

The menu offering of Vapiano revolves around the simple yet amazingly delicious classics of Italian cuisine such as pasta, pizza, salads and dolci that enjoy tremendous popularity all around the world. The entire atmosphere of the restaurant conveys an air of freshness and openness of body and mind: the daily production of fresh pasta takes center stage in the transparent glass manifattura; a live olive tree, a spectacular green wall and an assortment of fresh herbs immerse the room in an air of nature; large oak tables and a cozy lounge area encourage an individual experience upon every visit and entice a culture of communication and sharing; and, perhaps most importantly, a team of outgoing and helpful Vapianisti prepare the meals in direct interaction with the guests, making them feel welcome and comfortable, just like when cooking with friends.





Can you envision this as being YOUR place?
Do you see yourself as the host in your Vapianos,
creating this fantastic atmosphere, being on center
stage in the middle of it and welcoming your
guests as you would welcome your friends?
Then it is you we are looking for, and together we
can make it happen.

We provide

- A proven and successful “fresh casual dining” concept
- An internationally recognized, up-and-coming brand
- A unique corporate identity with growing international recognition
- Long-term growth perspective with 20-year contracts
- Outstanding product quality and value
- A modern and stylish design by world-famous architects
- Professional support in location scouting and evaluation

- Professional support in construction, recruitment and training, marketing and all areas necessary for a sound entrepreneurial structure
- A dedicated international marketing concept
- Continuous system improvements
- A trustworthy and helpful franchisor committed to transparency and partnership

We are looking for franchise partners who are willing and able to develop not only a single restaurant but an entire territory or country. We therefore welcome applications from both individuals and teams whose professional expertise and personal qualities respond to the diverse requirements of a Vapiano Franchise Partner. Vapiano will work closely with you to assess the potential of your chosen market, and we will then sign a development agreement that outlines the scope and timeline for expansion in your region. Our multifunctional team will then assist and support you throughout the entire process from the signature to the opening and beyond.



Vapiano Sweden

The thunderbolt struck in 2005 for Vapiano and the Swede Christian Lagerlöf—love at first sight! The engineer and the young restaurant brand first met in Germany, but they then went separate ways. Lagerlöf followed his career to London, but couldn't get the beauty from Hamburg out of his head. He also harbored a dream of starting his own business, so in 2006 Lagerlöf decided to get back in touch. It wasn't long before he showed up at the company headquarters in Bonn with his cousin Magnus to snatch the franchise license for his homeland (around 10 million inhabitants). The quality of the cuisine, the freshness and the good value of the concept had especially turned the Swede's head. "But I am also fascinated by the transparency, the open kitchen, and the service system," says Lagerlöf. "There just wasn't anything like it in Sweden."

He brought his new love to Stockholm in April 2007, and the Swedes took quick notice. "The reaction was very positive," says the entrepreneur, who has since then also introduced his communicative Italian with the Hanseatic origins to the residents of Malmö and even to neighbors in Oslo, Norway. And now he is readying the opening of his fifth restaurant in Sweden's capital.

Haven't there been any adjustment problems? "Italian cuisine works everywhere. And the guests here are not very different from those in Germany. Still, pasta is not seen as a quick-service product in Sweden. And pizza has a bad reputation due to its usually poor quality. We have had to go up against both of these prejudices." Since then, pasta has established itself as a clear bestseller, especially thanks to additional recipes made for the meat-loving Scandinavians.

What about upcoming challenges? "In Sweden everyone has a break from 11:30 to 12:15—the lunch rush is extremely short and intense" says Lagerlöf. "The waiting times are our biggest problem, particularly since we don't want to make any compromises in terms of quality and price." Like many of his colleagues around the world, Lagerlöf imports many ingredients directly from Italy for the sake of quality. From flour to cured ham, cheese, and many other products, this is no problem in Sweden, while in non-European Union Norway it is more complicated due to high import duties. Northern Europe's typically high personnel costs also require some kind of balance, such as the relatively low rents for extra-large locations. Six years after his first opening, Lagerlöf is counted among the most successful of Vapiano partners. The brand has learned Swedish, is fully understood by the Scandinavians, and has made many lasting friends there. With the coming opening of its fifth restaurant, Stockholm will soon be ranked near the top of Vapiano's most densely penetrated markets. And Lagerlöf still sees plenty of room for more offspring: Vapiano plans to open its doors in Gothenburg in early 2014, and in Norway there could someday be 5 to 7.



SUCCESS STORIES

Find out more about some of our tremendously successful partners.



Christian Lagerlöf, Sweden

AVAILABLE TERRITORIES

A list of countries and territories we are looking to expand to.

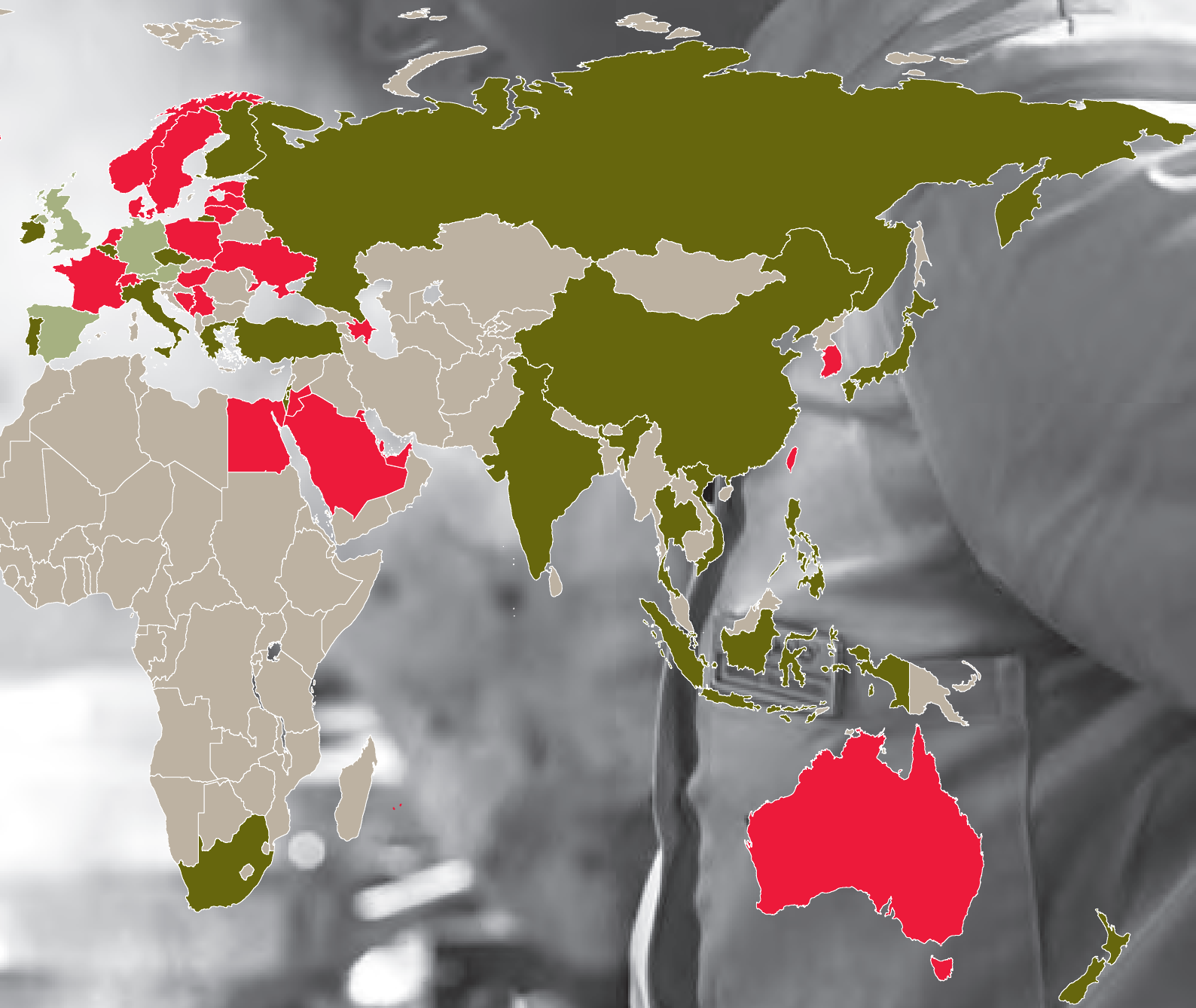
Vapiano is making careful and continuous analysis of the many potential markets all around the world. The following is an overview of the countries which we have targeted for strategic expansion. We are actively seeking partners for those countries and strongly welcome all applications by qualified individuals or groups.

There are many other promising markets for our brand, but we will concentrate our attention on developing the targeted countries for now. If the country into which you would like to introduce Vapiano is not on our target list, you can still register your interest. In that case we will put your application on hold at this time but we may get back to you once our strategic evaluation has changed and the country you have selected becomes available.

If the expansion rights for your country have already been otherwise granted we regret that we cannot consider your application.

In case you are interested in several countries, then just pick your first preference. We will have the opportunity to discuss specific territorial boundaries during the franchise application process.





Argentina . Austria * . Belgium . Canada * . China . Colombia . Czech Republic . Finland . Germany* . Greece . Hong Kong . India . Indonesia . Ireland . Israel . Italy . Japan . Macao . New Zealand . Philippines . Portugal . Russia . Singapore . South Africa . Spain * . Thailand . Turkey . United Kingdom * . USA * . Uruguay . Vietnam

* = Some areas available for franchising

Available for franchising

Some areas available for franchising

Franchising rights not available

Currently not targeted for franchising



FRANCHISE REQUIREMENTS



Have you got what it takes?

Vapiano got its start as a single restaurant in Hamburg in 2002 with an ingenious concept of offering fresh pasta and pizza in a trendy and comfortable atmosphere. Direct communication between Vapianisti and guests, transparency in preparation, and a climate for openness and sharing all worked so well that expansion was a natural consequence, and we are now present on every populated continent on the planet. But if there is one thing we have learned since beginning the journey, it is that each new city, region and country presents its own opportunities and challenges. The key to success lies in the people who lead Vapiano into the new areas. That is why we devote so much attention to attracting and selecting partners whose personal and professional qualities will make sure that the proven concept and system do not get lost in translation.

Rather than looking for pure investment partners, Vapiano places great importance on building partnerships strengthened by the expertise and special knowledge of both franchisor and franchisee:

- Vapiano brings a successful and coherent concept which has already proven itself in numerous markets and which promises great chances for success when implemented systematically;
- The franchisee brings his entrepreneurial skills, his knowledge of the local business and cultural climate, and his personal network and contacts, all of which are essential to assure success of the franchise in his territory.

This leads to the following personal characteristics which VAPIANO looks for in a franchisee:

- Strong identification with the Vapiano concept
- Visionary and entrepreneurial thinking
- Pronounced self-confidence
- Positive leadership and motivational skills
- Team-oriented attitude

- A hands-on approach and the ability to quickly acquire new knowledge
- The willingness and ability to work as an entrepreneur and at the same time to be part of a larger system
- A well-established network of local partners, authorities and opinion leaders
- Keen understanding of the local mentality and culture
- The willingness and ability to build up a successful brand in your market
- A sound background in business development
- Operational experience in the catering branch.

In addition, a Vapiano partner must be up to the demands for financial performance required by the investment of substantial equity and debt capital in establishing a Vapiano franchise. Our experience shows that setting up the first restaurant will cost about 1.5 to 2 million Euros. This does not include various extra costs, such as company foundation and registration, legal advice, etc. The franchise partner must be able to bear at least 30% of this initial investment, and is responsible for raising the remaining amount on his own.

Vapiano will charge a monthly flexible franchise fee at between 5 and 7,5%, depending on variables linked to location and turnover. The franchisee is also required to cover a one-time development fee of 50,000 Euros per restaurant. This fee covers Vapiano's active participation in setting up the new location, including location selection, coordination of construction and renovations, staff training, etc.

PRESS INFOS



PRESS INFORMATION

(Status: 22.01.2014)

NET SALES	IN MIO. EUR	2012	2013	B2014
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System view

Worldwide		281,7	336,0	418,1
	Germany	144,9	160,2	192,1
	RoEurope	96,8	128,4	163,8
	RoWorld	40,1	47,4	62,2

SALES TREND

Total Sales

Worldwide		19,3%
	Germany	10,6%
	RoEurope	32,6%
	RoWorld	18,4%

Comparable/ like-for-like Sales

Worldwide		1,3%
	Germany	0,3%
	RoEurope	4,5%
	RoWorld	-1,6%

VAPIANISTI (NO. OF EMPLOYEES)		2012	2013	B2014
Worldwide		6.700	9.200	11.100
	Germany	3.500	3.800	4.400
	RoEurope	2.700	3.100	4.100
	RoWorld	1.900	2.200	2.600

GUEST COUNT	2012	2013	
	Germany	16.017.590	17.802.126
	RoEurope	8.805.800	11.742.835

VAPIANO RESTAURANTS		2012	2013	B2014
Worldwide		122	140	170
	corporate	37	41	48
	joint venture	16	19	22
	franchise	67	80	100
Germany		52	58	66
	corporate	21	23	26
	joint venture	8	8	8
	franchise	23	27	32

THE APPLICATION PROCESS



What happens when? From the initial contact to your first restaurant opening.

We would like to show you our standard procedure for franchise candidates. The following is an example of what happens and how long it is likely to take. Please remember that this is approximate and subject to change due to many factors. So while we can't guarantee everything will proceed as described, you can at least have a good idea of how the whole process will be outlined. Depending on how it all works out, this process usually takes from about 9 months to a year—from the initial contact to the opening of your first Vapiano restaurant.



PHASE	PROCESS	TIMELINE
1. FIRST CONTACT ON THE WEBSITE	<p>This site is the place to first show your interest in a franchise. You provide some basic information about yourself and indicate the country in which you would like to introduce Vapiano. You can also download a package of information about becoming a Vapiano Franchise Partner, about our brand, and about Vapiano's growth and success over the last few years and its potential in the next few years.</p> <p>After completion of the short introductory questionnaire, you will receive an email with instructions on continuing the process.</p>	up to one week
2. PROVIDING MORE DETAILED INFORMATION	<p>You will go to our Franchise Candidate site where you will download a more detailed questionnaire. The information you give us about your background and experience and also your financial resources will allow us to make an initial evaluation of your application. You will also download the Confidentiality/Non-Disclosure Agreement. This document is necessary to assure the security of information which you and Vapiano exchange during the candidacy process. A signed and returned NDA is necessary for us to proceed.</p>	1 to 2 weeks
3. TELEPHONE INTERVIEW	<p>You will be asked to give your preferences for a date and time to speak with our franchise representative on the phone. This will be our first person-to-person contact and our chance to begin to get to really know each other.</p> <p>We'll ask about your experience, current projects, vision of how you would like develop Vapiano in your country, how you got to know Vapiano, etc. You, of course, can ask your general questions about the concept.</p>	1 to 2 weeks
4. VISITING VAPIANOS	<p>We will assist you in organizing visits to one or several Vapianos. This will be an opportunity for you to meet one of our representatives in person, as well as meet some of our successful franchise partners, tour their restaurants, meet their Vapianisti, and find out about their experiences as Vapiano franchise partners.</p>	2 to 3 weeks
5. OBSERVATION DAYS IN VAPIANO	<p>You know that it is getting serious when you spend 3 days working in a Vapiano. A mentor will accompany you to see how you interact with the Vapianisi and guests. The dream becomes reality, and you can really be sure that the life of a Vapiano Franchise Partner is the future you choose. You will then meet again with our franchise representative for feedback.</p>	3 to 5 weeks
6. LOCATION SEARCH	<p>Location is essential. If all goes well at phase 5, the search can get started. Once you've done the Observation Days, you are well prepared to begin looking for your location. This critical task will also get our full attention.</p>	2 to 4 weeks
7. MARKET VISIT	<p>It is now our turn to visit you in your selected country. You will take the lead in showing our franchise representative around and making your detailed market presentation. To help prepare, you will receive sample P&Ls and a business plan.</p> <p>Goal: for us to get feeling of your local market environment and your integration into it. We would like to see that you have an extensive network with potential partners, suppliers and relevant authorities. You should have realtors ready to show us suitable locations. Furthermore you will also show us our closest competitors who you have already carefully studied and provide us with an analysis of the market landscape. We will be interested in knowing your growth targets: how many outlets, timeframe, specific locations, etc.</p>	3 to 4 weeks
8. LETTER OF INTENT	<p>Once we find a location, we will formulate the initial agreement about how to set up the franchise, scope of territory, number of outlets, timeframe for expansion, etc.</p>	1 to 2 weeks
9. CONTRACT TALKS	<p>You and your representatives will meet with our team of specialists to answer your questions and adapt the Development and Franchise Agreements to local regulations as necessary.</p>	2 to 4 weeks
10. SIGNING THE CONTRACT	<p>Once all details of the contractual framework will have been finalized by our Legal team the moment has arrived at last: we will be able to welcome you and your team to the Vapiano family by signing your Development Agreement and the Franchise Agreement for the first Vapiano restaurant in your region. Further Franchise Agreements will then follow suit as you gradually expand your network in accordance with our agreed time schedule.</p>	1 week
11. PRE-OPENING	<p>Planning and construction of your first restaurant in cooperation with us and our partners. Hiring and training of restaurant management and staff. Definition and establishment of the supply chain.</p>	4 to 6 months





HOW TO APPLY

Contact us today if you have what it takes to become a member of the global Vapiano family.

Follow this link, <https://franchisee.vapiano.eu>, to our new online site for franchise inquiries. You will be asked to provide some information which will let us know how you fit into our concept. The system will guide you through the first steps of the process. Please be kindly informed that the site needs to be viewed in Firefox for best results. In case you aren't currently using Firefox you can download it here: <http://www.mozilla.org/en-US/>

Please complete all of the information fully. This will allow us to make an initial evaluation of your candidacy. We will then contact you to let you know if you fit our partner profile. If so, the next step, a telephone conversation with our international expansion representative, will be your best opportunity to begin asking the important questions which you certainly have about becoming a Vapiano franchise partner.

You will also find a list of countries which are available for franchising. Please select the country where you would like to introduce Vapiano. If your country is not on the list, you can still register your interest unless we already have a partner for that area, in which case we regret not to be able to consider any applications. In case you are interested in more than one territory, simply select your first preference. You will have the opportunity later in the process to discuss other areas with us.

We also ask you to understand that we receive about a hundred inquiries each month from prospective partners. We would not be able to give the attention each applicant deserves if we did not follow this procedure. The whole process takes a bit of time, but that is the best way to assure that we can get to know each other well before committing to this important partnership.

We look forward to hearing from you soon.

Kind regards

Your Vapiano Franchising Team

Disclaimer

„Please note, that as a Franchisee you are an independent entrepreneur in legal and economic terms. You will act on your own behalf, for your own account and at your own risk. The Franchisor is not liable for any success and viability and gives no warranties in this respect. You are not entitled to bind, or act on behalf of, the Franchisor. Whenever acting in any business transaction as an independent entrepreneur, you have to make your status recognizable by stating that you are the owner of the business.“



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