



## AS OF Q3 2015

### Domestic

- 4,735 franchised stores
- 377 company-owned stores
- 5.5% standard domestic royalty rate
- Average cost to open a new store \$250-\$350K
- U.S. average reported annual EBITDA per domestic franchise store up six years in a row
  - 2014 was a record \$89K

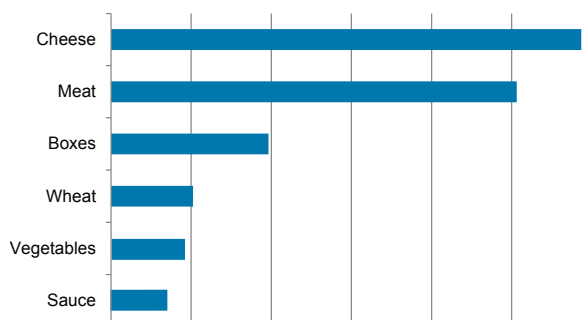
### International

- 7,007 franchised stores
- No company-owned stores
- 3.1% average international royalty rate
- 87 quarters of consecutive positive same store sales

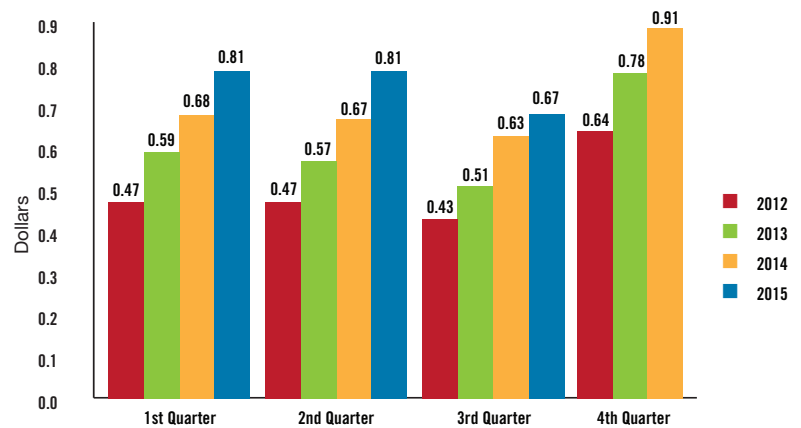
### Supply Chain and Fresh Dough Production

- Sells and delivers food, equipment and supplies to U.S. and Canadian stores
- 19 company-owned supply chain facilities in contiguous U.S.
- 7 company-owned supply chain facilities in Canada, Alaska and Hawaii
- Manufactures fresh dough and thin crust and processes certain vegetables
- Franchise partnership – profit-sharing agreement
- Pricing pass-through on most items – reduces volatility
- 2015 commodity food basket projected to be down 5% to 7% versus 2014

### Relative Magnitude of Six Largest Commodity Costs



## Adjusted EPS Growth



Certain EPS amounts are adjusted for items affecting comparability. Items adjusting reported EPS are detailed in the respective earnings release on Form 8-K.

## Capital Structure

- Franchise model works well with leverage
  - Completed refinancing transaction in October 2015
    - \$1.3 billion in new fixed rate notes (blended rate of 4.1%)
  - Existing debt of \$963 million (5.216%)
  - Debt-to-EBITDA ratio at 5.3x upon completion (3-6x is preferred)

## Use of Cash

- Repurchase shares
  - \$600 million Accelerated Share Repurchase (through Q1 2016)
  - Board has authorized replenishment of open market share repurchase program six times
  - In 2014, repurchased 1,151,931 shares at an average price of \$71.54
  - In Q3 2015, repurchased 365,460 shares at an average price of \$111.96
- Pay dividends
  - Quarterly dividend raised 24% to \$0.31 from \$0.25 beginning in Q1 2015

## Long Range Outlook

- Global net units: +5% to +7%
- Domestic same store sales: +2% to +4%
- International same store sales: +3% to +6%
- Global retail sales: +7% to +11%
- Cap Ex: \$50 to \$60 million
- Effective tax rate: 37% to 38%

(Outlook does not constitute specific earnings guidance. Domino's does not provide quarterly or annual earnings estimates.)