



Domestic

- 5,042 franchise stores
- 396 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 franchise store up eight years in a row
 - 2016 was a record \$133K

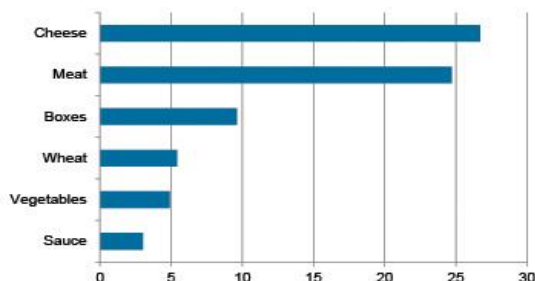
International

- 8,779 franchise stores
- No company-owned stores
- ~3.0% average international royalty rate
- 94 quarters of consecutive positive same store sales

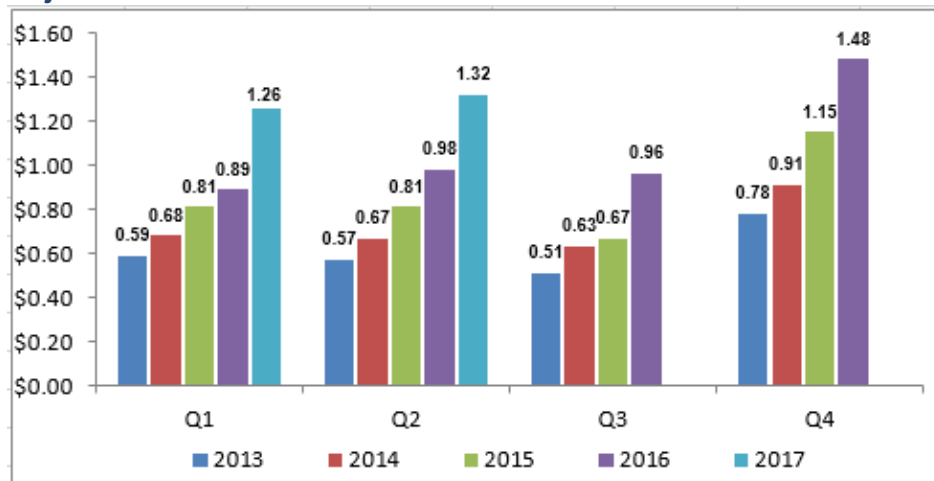
Supply Chain & Fresh Dough Production

- Sells and delivers food, equipment and supplies to U.S. and Canadian stores
- 19 supply chain facilities in contiguous U.S.
- 7 supply chain facilities outside the contiguous U.S. (Canada, Alaska and Hawaii)
- Manufactures fresh dough, thin crust and processes certain vegetables
- Franchise partnership – profit-sharing agreement
- Pass-through pricing to stores on most items – reduces volatility
- 2017 commodity food basket projected to be flat to +2% compared to 2016
- Q2 average cheese block price = \$1.54/lb.

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 (\$3.2 billion total debt)
 - Completed latest refinancing transaction in July 2017
 - \$1.6 billion in new fixed rate notes and \$300 million in variable rate notes (blended rate of 3.54%)
 - Existing \$1.3 billion (2015 fixed rate notes, blended rate of 4.1%)
 - Debt-to-EBITDA ratio at 5.9x upon completion (3-6x preferred range)

Use of Cash

- Repurchase shares
 - \$600 million Accelerated Share Repurchase completed in Q1 2016, upon receipt and retirement of 456,936 shares
 - Board of Directors authorized open market share repurchase program (most recently replenished in May 2016)
 - Repurchased and retired 80,360 shares at an average price of \$158.30 per share in Q1 2017
- Pay dividends
 - Quarterly dividend raised from \$0.38 from \$0.46 per share in 2017
 - Paid out special dividends in 2012 and 2007

3-5 Year Outlook*

- Global net units: +6% to +8%
- Domestic same store sales: +3% to +6%
- International same store sales: +3% to +6%
- Global retail sales: +8% to +12%

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