

.....
Goldman Sachs
5th ANNUAL SMALL
& MID-CAP CONFERENCE
.....

21 MAY 2014

DOMINO'S PIZZA
ENTERPRISES LTD





~ Section 1 ~

.....
1H 14 RECAP
.....

RESULT HIGHLIGHTS

| | |
|---|-----------|
| ANZ Network Sales (\$) | SSS +5.6% |
| Europe Network Sales (€) | SSS +0.7% |
| Japan Network Sales (¥) ⁽²⁾ | SSS +7.8% |
| EBITDA ⁽¹⁾ | +60.5% |
| NPAT ⁽³⁾ | +38.8% |
| EPS ⁽¹⁾ | +20.3% |
| Dividend (cps) | +14.2% |
| Free Cash Flow (\$m) ⁽⁴⁾ | \$10.0m |
| Return on Capital Employed ⁽¹⁾ | 23.4% |
| Return on Equity ⁽¹⁾ | 23.1% |



These results include Domino's Japan for the first time since DPE's 75% equity acquisition in September 2013

(1) Based on underlying results

(2) During the DPE ownership period from 3rd Sep to 29th Dec 2013

(3) Underlying NPAT growth after Minority Interest

(4) Free cash flow excluding Japan acquisition



GROUP HIGHLIGHTS

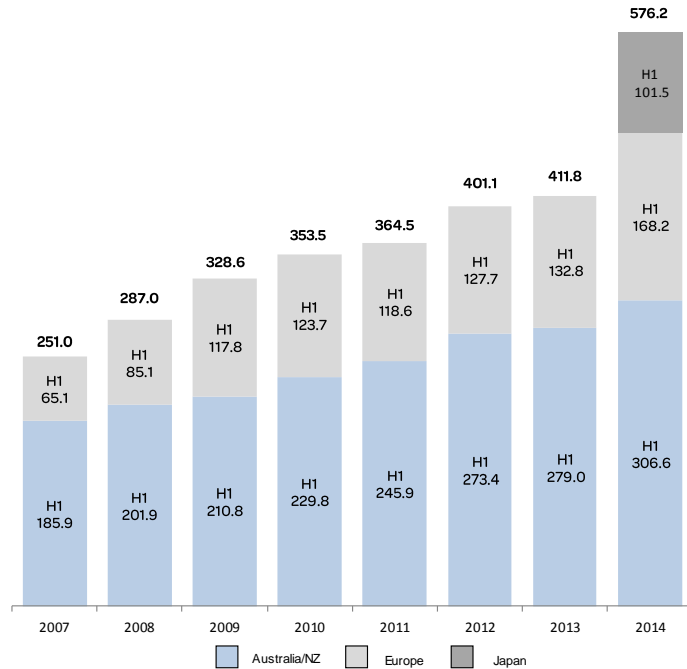
| | H112 Statutory \$ mil | H113 Statutory \$ mil | H114 Statutory \$ mil | Significant Charges* \$ mil | H114 Underlying \$ mil | + / (-) H113 Statutory |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------------|------------------------------|---------------------------|
| Network Sales | 401.1 | 411.8 | 576.2 | | 576.2 | 39.9% |
| Same Store Sales % | 8.4% | 1.5% | 4.6% | | 4.6% | |
| Revenue | 130.9 | 140.8 | 265.4 | | 265.4 | 88.5% |
| EBITDA | 22.9 | 26.5 | 38.7 | 3.8 | 42.5 | 60.5% |
| Depreciation & Amortisation | (4.9) | (6.0) | (9.7) | | (9.7) | 63.6% |
| EBIT | 18.1 | 20.5 | 28.9 | 3.8 | 32.8 | 59.6% |
| Interest | (0.3) | (0.3) | (1.1) | | (1.1) | 258.7% |
| NPBT | 17.7 | 20.2 | 27.8 | 3.8 | 31.6 | 56.5% |
| Tax Expense | (5.2) | (5.7) | (9.2) | (1.1) | (10.3) | 81.0% |
| NPAT before Minority Interest | 12.6 | 14.5 | 18.6 | 2.7 | 21.4 | 46.9% |
| Minority Interest | 0.0 | 0.0 | (1.2) | | (1.2) | |
| NPAT | 12.6 | 14.5 | 17.5 | | 20.2 | 38.8% |
| EPS (basic) | 18.2 | 20.8 | 21.6 | | 25.0 | 20.3% |
| Dividend per Share | 13.0 | 15.5 | 17.7 | | 17.7 | 14.2% |

- Underlying NPAT up 38.8% to \$20.2m
- SSS positive +4.6%
- Underlying EBITDA up 60.5% to \$42.5m
- Underlying NPBT up 56.5% to \$31.6m
- Underlying EPS 25.0c, up 20.3%
- Interim dividend 17.7c (fully franked), up 14.2% on H1 13



NETWORK SALES GROWTH

Network Sales H1 \$m



| | Total Sales | Same Store Sales |
|--------------------------|-------------|------------------|
| Australia/NZ | 9.9% | 5.6% |
| Europe (€) | 6.8% | 0.7% |
| Japan (¥) ⁽¹⁾ | na | 7.8% |

- ANZ new store rollout coupled with strong SSS has resulted in a substantial growth in sales
- European SSS have been impacted by tougher trading conditions in France
- Strong SSS in Japan for the period under DPE ownership have been assisted by the introduction television activity



(1) During the DPE ownership period from 3rd Sep to 29th Dec 2013. Note also H1 network sales for Japan in chart above refers to the same period



GEOGRAPHIC SUMMARY

| | H112 Statutory \$ mil | H113 Statutory \$ mil | H114 Underlying \$ mil | + / (-) H113 Statutory % |
|------------------------------|-----------------------------|-----------------------------|------------------------------|--------------------------------|
| REVENUE | | | | |
| Australia/NZ | 85.2 | 87.3 | 97.7 | 11.9% |
| Europe | 45.6 | 53.5 | 69.8 | 30.6% |
| Japan | - | - | 97.9 | - |
| Total Revenue | 130.9 | 140.8 | 265.4 | 88.5% |
| EBITDA | | | | |
| Australia/NZ | 20.8 | 23.3 | 28.3 | 21.3% |
| Europe | 2.2 | 3.1 | 3.0 | (4.0%) |
| Japan | - | - | 11.2 | - |
| Total EBITDA | 22.9 | 26.5 | 42.5 | 60.5% |
| EBITDA MARGIN % | | | | |
| Australia/NZ | 24.3% | 26.7% | 29.0% | |
| Europe | 4.8% | 5.9% | 4.3% | |
| Japan | - | - | 11.4% | |
| Total EBITDA Margin % | 17.5% | 18.8% | 16.0% | |

- Core operations including corporate store efficiencies and SSS have delivered strong EBITDA growth in ANZ
- Europe has been impacted by softer sales, management team changes and higher ongoing litigation costs in France during the half
- Japan EBITDA has exceeded our expectations for the period, adding \$11.2m to the group (on an underlying basis)
- Japan EBITDA is up 25.5% on the same four month period last year
- Japan underlying EBITDA margin of 11.4% has improved compared to 10.7% in the prior year (DPJ year ended 31 March 2013 – JGAAP)



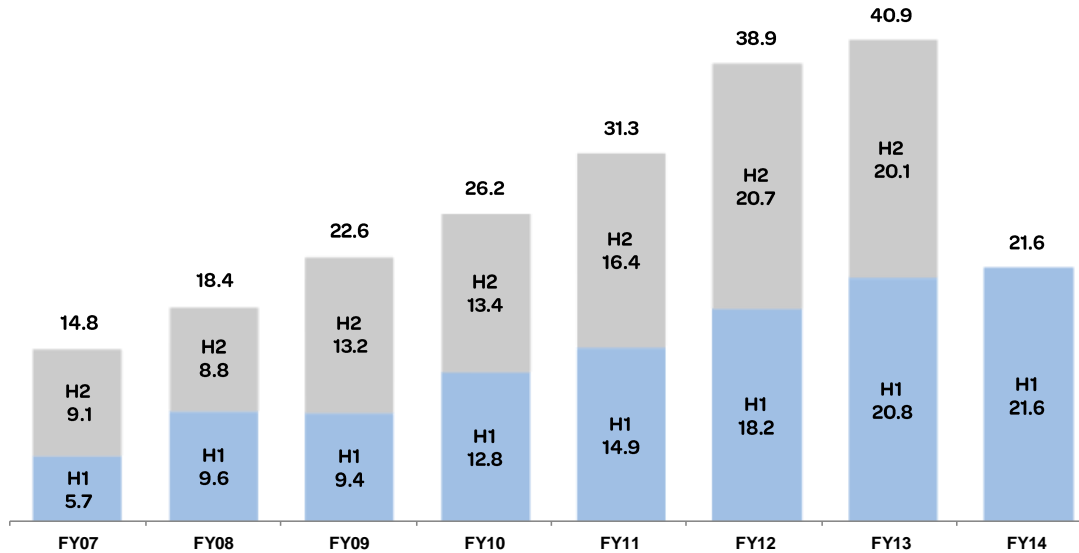
PROFIT & LOSS

| | H112 Statutory \$ mil | H113 Statutory \$ mil | H114 Underlying \$ mil | + / (-) H113 Statutory |
|---------------------------------------|-----------------------------|-----------------------------|------------------------------|---------------------------|
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| EBIT | 18.1 | 20.5 | 32.8 | 59.6% |
| EBIT Margin | 13.8% | 14.6% | 12.3% | |
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| NPBT | 17.7 | 20.2 | 31.6 | 56.5% |
| Tax Expense | (5.2) | (5.7) | (10.3) | |
| NPAT before Minority Interest | 12.6 | 14.5 | 21.4 | 46.9% |
| Minority Interest | 0.0 | 0.0 | (1.2) | |
| NPAT | 12.6 | 14.5 | 20.2 | 38.8% |
| <i>Performance Indicators</i> | | | | |
| Interest Coverage (times) | 55.9 | 65.2 | 29.0 | |
| EPS (basic) | 18.2 | 20.8 | 25.0 | 20.3% |
| Average exchange rate for New Zealand | 1.2819 | 1.2734 | 1.1362 | |
| Average exchange rate for Europe | 0.7462 | 0.8163 | 0.6879 | |
| Average exchange rate for Japan | | | 92.8826 | |

- Japan acquisition and strong result in ANZ, has grown EBITDA by 60.5%. Underlying EBITDA growth for the Group on the same comparative is 19.2%
- Effective tax rate 32.5% vs 28.1% in H1 13 (increase resultant from Japan acquisition; tax rate 38%)
- Underlying NPAT growth 38.8%, includes Japanese funding cost, a higher effective Japanese tax rate (38%) and 25% minority interest distribution
- Japan investment accretive with underlying EPS up 20.3%, even with slightly weaker Yen



EARNINGS PER SHARE



- H1 EPS CAGR of 21.0% since listing
- H1 14 Statutory EPS up 3.8%
- Underlying EPS for H1 14 is 25.0c, up 20.3% on H1 13



FUTURE OUTLOOK - GROUP STORE COUNT



Australia/NZ

800 Stores

incl 60 2Go outlets



Europe

1,250 Stores



Japan

700 Stores



- We are upgrading our ANZ store count forecast from 750 to 800 stores as result of completing an updated review of population growth, demographics, and store locations. We plan to deliver this growth over the next 4-5 years
- We have also gained further knowledge of the competitive landscape in Japan which has given us increased optimism surrounding the market opportunity and as a result we are upgrading our estimate from 600 to 700 stores
- The updated group plan now reaches 2,000 stores within the next 5 years

Dec 2013
1,290 stores

June 2019
2,000 stores

June 2025
2,750 stores



GUIDANCE UPDATE

FY14 Guidance as at August 2013

| | ANZ/Europe | Japan |
|--------------------|----------------------|----------------------|
| SSS% | 2-4% | 1-2% |
| New Store Openings | 70-80 | 40-50 |
| EBITDA Growth * | in the region of 15% | in the region of 15% |
| Net Capex | \$20-25m | ¥1.2 - 1.7Bn |

Updated FY14 Guidance

| | | | |
|--------------------|----------------------|----------------------|---|
| SSS% | 2-4% | 5-7% | ↑ |
| New Store Openings | 70-80 | >50 | ↑ |
| EBITDA Growth * | in the region of 15% | in the region of 25% | ↑ |
| Net Capex | \$30-35m ↑ | ¥1.5 - 2.0Bn ↑ | ↑ |

- Increased Capex to fund additional digital projects and new store growth





~ Section 2 ~

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BUSINESS UPDATE
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..... **AUSTRALIA/NZ UPDATE**

- Continued solid SSS driven by strong product performance, digital enhancements and the successful launch of our new Offers App
- Offers App has been downloaded over 190,000 times in its first 7 weeks
- Pizza Chef has recently been added to our online platform and it has been generating keen interest from consumers as well as a higher ticket average
- On track to open 40 to 45 new stores for the financial year along with a strong pipeline for the start of FY15
- We have launched our first digital wallet payment option this past week. We are very excited to have partnered with PayPal and we are supporting this launch with a strong marketing campaign



EUROPE UPDATE

- SSS are trending in a positive direction
- The implementation of the global online ordering and point of sale systems in The Netherlands is generating material digital growth
- The new store development pipeline for FY15 is encouraging
- The rollout of the Pulse point of sale system is scheduled for completion in Belgium by end of December 2014 and in France by end of December 2015. We are actively investigating ways to accelerate the project and shorten the timeline for France
- We are in the early phases of the new Paris commissary project – project plan expected to be shared in more detail at Full Year results announcement



JAPAN UPDATE

- Strong SSS have continued, aided by television advertising and carry out growth
- Expect to open a record 55 to 60 new stores for the full year. Like ANZ and Europe, we also have a strong pipeline for new store openings for the start of FY15
- The Can Do! Partners program is progressing well with the internal demand for stores continuing to grow which will set us up for a positive FY15
- Product enhancements will be launched in time for the Japanese summer (June to August). The product enhancements are based on the learnings from an extensive research study completed in 1H14



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CONCLUSION

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- SSS have been pleasing
- Digital innovation continues in ANZ along with the rollout of these platforms in Europe
- New store growth is in line with expectations
- Confirming we are on track to meet guidance, however there are still 2 months of the year left with June being particularly material for ANZ
- Big technology launches are expected in FY15 to continue our digital leadership
- We have strong product and new store pipelines which are expected to provide FY15 with a good platform for growth



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DISCLAIMER & IMPORTANT INFORMATION

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- Domino's Pizza Enterprises Limited (Domino's) advises that the information in this presentation contains forward looking statements which may be subject to significant uncertainties outside of Domino's control.
- While due care has been taken in preparing these statements, no representation or warranty is made or given as to the accuracy, reliability or completeness of forecasts or the assumptions on which they are based.
- Actual future events may vary from these forecasts and you are advised not to place undue reliance on any forward looking statement.
- A number of figures in the tables and charts in this presentation pack have been rounded to one decimal place. Percentages (%) have been calculated on actual figures.

Statutory Profit and Underlying Profit

- Statutory profit is prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards, which comply with International Financial Reporting Standards (IFRS).
- Underlying profit is the Statutory profit contained in Appendix 4D of the Domino's FY14 Half Year Financial Report adjusted for significant items specific to the period as outlined on slide 6 of the FY14 Half Year Results presentation (available on the Domino's and ASX websites).
- Due to the seasonality of the Japanese business, from Half Year FY14 onwards, we have changed the calculation of our half year ROE and ROCE calculations to be on a "Last 12 Months" (LTM) basis rather than for the half year annualised as has been done historically. This is still prepared on an underlying basis.

