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## Domino's completes German store integration – cements market leadership

Domino's Pizza Enterprises Limited (ASX: DMP) has completed the final stages of its acquisition of Germany's Joey's Pizza, today completing the final conversion of the acquired stores to a Domino's franchise, six months ahead of schedule.

The milestone means there are now more Domino's stores in Germany than any other pizza chain, with the country's 215 stores able to leverage the benefits of the Company's larger scale across Europe and internationally.

DMP and UK listed Domino's Pizza Group plc (DPG) announced in December 2015 the formation of a joint venture to acquire the 'Joey's Pizza' chain of 212 stores in Germany, as well as selected Domino's stores operated by DPG.

The final conversion was completed one year after the acquisition.

Domino's Pizza Enterprises Ltd Group CEO and Managing Director Don Meij said in addition to rebranding the former Joey's stores and aligning procedures and menus, all Domino's stores in Germany were now on the same IT platform, providing further efficiencies and making customer ordering even simpler.

"This process was complex but has proceeded well ahead of schedule, which is a testament to all of those involved. It means we are well placed to serve the world's fourth largest pizza market," Mr Meij said.

"Our operations in Germany will benefit from a single, highly recognisable brand, and from the technology and operational investments our business makes across the seven countries in which we operate.

"We are focused on expanding our network in Germany even further, and adding organic growth through locally-inspired menu offerings and the best customer service platforms available in the market."

At Domino's AGM last month, the Company announced digital sales growth in Europe of 38.1%, which Mr Meij said reflected the customer demand for the Internet of Food<sup>™</sup>, where at least part of the transaction was completed online.

Domino's Europe CEO Andrew Rennie said customers were voting with their feet, and their mobile devices, in ordering from the country's newest Domino's stores.

"As in every other market, our German stores put our customers first, which is reflected across our business and no more so than in our menu, which includes traditional favourites our customers have come to expect.

"This transition has proceeded smoothly because we are respectful of the regional differences, but passionate about the benefits collaboration and scale can bring to our business, and the franchisees who are a key part of our business.

"Just as with our customers across the world, we now have the ability to roll out in Germany our market-leading innovations including our ordering app, on-time cooking and GPS Driver Tracker.



"Removing friction when customers are ordering, reducing the time it takes to collect or have a pizza delivered, and providing hot, fresh, tasty meals, that is a universal customer demand.

"Our franchisees and management team have started the journey on our 'high-volume mentality' model, which provides affordable, high quality meals that bring our customers back time and again.

"Already we are seeing the benefits of having a single, aligned brand in Germany, and our team is tremendously excited about growing our operations here to ensure even more customers can enjoy our piping hot pizzas."

At Domino's AGM the Company reaffirmed guidance for Same Store Sales in Europe at +5 to +7%, and forecast record organic new store growth for the region in 2017.

## About Domino's Pizza Enterprises Ltd:

Domino's Pizza Enterprises Limited (DPE) was Australia's first publicly-listed pizza company and is the master franchisor for the Domino's brand in Australia, New Zealand, Belgium, France, The Netherlands, Japan and Germany. Across these seven markets, DPE and its franchisees operate more than 2,000 stores. For more information, visit <u>www.dominos.com.au</u>

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