

13 February 2013

ASX/MEDIA ANNOUNCEMENT

Domino's reports 15.7% increase in Net Profit After Tax

Domino's Pizza Enterprises Limited (DMP), Australia's most popular pizza maker, today announced a \$14.5 million half year Net Profit After Tax, up 15.7% on the corresponding period last year.

The robust half year profit was the result of solid core operations which saw the Company achieve Same Store Sales (SSS) growth of 1.5% on the back of rolling the 17.5% two year aggregate.

In Europe Network sales have grown 13.8% and EBITDA was up 44.5%, continuing to benefit from both a strong store rollout and SSS growth.

Domino's CEO and MD Don Meij said the results reflected the brand's focus on innovative retail launches and further enhancements to a number of core offerings, including desserts and the introduction of Cheesy Crust to the menu, combined with the ongoing commitment to digital innovation.

"We have recorded a strong performance for the first half of the Financial Year, particularly in Australia and New Zealand where we were rolling over very strong numbers from this time last year," Mr Meij said.

The Company will pay shareholders an interim fully-franked dividend of 15.5 cents per share, up 19.2% on the dividend paid in the corresponding period last year, reflecting a 74.8% payout ratio.

The interim dividend will be paid on Tuesday 12 March 2013 with a record date of Monday 25 February 2013.

	H1 13	H1 12	+ / -
Store count	934	889	
Total Network Sales	\$411.8m	\$401.1m	2.7%
Same Store Sales	1.5%	8.4%	
Revenue	\$140.8m	\$132.5m	6.3%
EBITDA	\$26.5m	\$22.9m	15.5%
NPBT	\$20.2m	\$17.7m	13.9%
Net Profit After Tax	\$14.5m	\$12.6m	15.7%
EPS	20.8c	18.2c	14.3%
Interim Dividend (per share)	15.5c	13.0c	19.2%

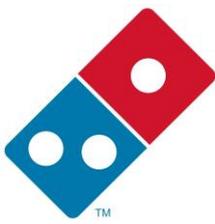
*Figures in the above table have been rounded to one decimal. Percentages (%) have been calculated on actual figures.

Mr Meij said the focus for the ANZ market during the reported period has been centred on quality, service and image.

"We have seen great results from focussing on improving the quality, service and image of our products and stores. This includes our store refurbishment program with 18 stores being refurbished during H1 13 including 16 stores with our new 'Entice' image."

With both markets continuing to lead the way in digital and online innovations, the milestones achieved in this area of the business are also reflected in the results.

"Our commitment to engaging and growing our online community is attributed to the success the business has seen via the digital platforms with more than half of all online orders now being placed via mobile devices in the ANZ market.



“Although only new, we are seeing similar traction with the mobile ordering site in France already making up 11% of online sales and we are currently the number one Quick Service Restaurant (QSR) on Facebook in The Netherlands, the leading Australian QSR’s by ‘Likes’ on Facebook and ranked in the Top 5 brands for local fans in Australia.*

“In the ANZ market we also launched our iPad app in September 2012 featuring ‘Pizza Chef’ giving customers the unique ability to create their own pizza and add it to their order, and we have finally cracked one million combined Facebook fans.”

Mr Meij said it had been a busy period with the corporate store count in The Netherlands now totalling 35.

“It has been a time for innovation in The Netherlands with 19 new stores opening during the first half of the year, the rollout of a new, much more sophisticated and efficient POS system, the first co-branded highway store, which is trading above expectations, and the completion of our first carry out only store in France.”

Looking Ahead

Looking ahead, Mr Meij said the Company was confident of continuing the momentum across both markets despite being faced with increases in labour costs and economic and retail environment challenges.

“The first half of the year saw 31 new stores open across the network and, with even more growth planned for the second half, things are showing no signs of slowing down. In fact, we are upgrading our predicted store count to over 80 stores for the full year period.

“In addition to this, we are busy investing back into the brand, particularly in Europe where the focus is on refurbishments and upgrades - we are definitely facing the biggest pipeline in Domino’s history.”

Product innovation is again expected to make a significant contribution in both markets.

“We have an exciting new product launch scheduled in the ANZ market for next month which will see the Domino’s brand revolutionise the Australian pizza industry, not to mention other exciting product launches in the pipeline for Europe.”

Domino’s has a busy year ahead with the scheduled rollout of their popular new store concept into the Europe market, the launch of an iPhone app in France next month and their ongoing commitment to increase online sales to 80% within the next three years.

Today, DMP has a network of 934 stores, including 570 in Australia and New Zealand and 364 across France, Belgium and The Netherlands.

~ENDS

*Source: Social Bakers <http://www.socialbakers.com/facebook-pages/brands/australia/>

Domino’s CEO Don Meij will be available for telephone interviews on Wednesday 13 February 2013 between 9am – 11.30am (Sydney time).

For further information, interviews or images please contact:

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