DOMINO'S PIZZA GROUP plc

PRELIMINARY RESULTS FOR THE 52 WEEKS ENDED 27 DECEMBER 2015

e-commerce continues to drive an excellent group performance

Domino's Pizza Group plc ("Domino's", "DPG", the "Company" or the "Group"), the leading pizza company in UK and Ireland, announces its results for the 52 weeks ended 27 December 2015.

Financial Highlights [1]	52 Weeks Ending 27 December 2015	52 Weeks Ending 28 December 2014	Change
System Sales[2] **from continuing operations**	**£877.2m**	**£757.8m**	**15.8%**
UK Like-for-Like System Sales[3] from continuing operations	**11.7%**	**11.3%**	
Underlying[4] **Operating profit** from continuing operations	**£73.2m**	**£62.8m**	**16.6%**
Underlying Basic EPS from continuing operations	**35.7p**	**29.9p**	**19.4%**
Net cash balance	**£40.4m**	**£11.0m**	**£29.4m**
Dividend per share	**20.75p**	**17.5p**	**18.6%**
Statutory Revenue [5] from continuing operations	**£316.8m**	**£288.7m**	**9.7%**
Statutory Profit After Tax from continuing operations	**£59.3m**	**£49.4m**	**20.0%**

[1] Continuing operations exclude the results of the German business which was discontinued during 2015. The German results are shown separately as discontinued operations. 2014 amounts have been restated.

[2] System sales represent the sum of all sales made by both franchisee and corporate stores in the United Kingdom, Republic of Ireland, and Switzerland to consumers

[3] Like-for-like sales are defined as sales from stores that were opened before 29 December 2013, compared to the corresponding 52 week period in the prior year

[4] Underlying is defined as excluding amounts in relation to onerous lease provisions, asset impairments, costs of acquisition of joint ventures, associates and subsidiaries, restructuring and one-off items

[5] Statutory revenues represent revenues directly attributable to DPG being derived from monies paid by franchisees for foodstuffs together with royalty payments for use of the Domino's brand, rental income from freehold and leasehold property, and corporate store sales in Switzerland

Highlights

- UK performance continues to underpin growth with nine successive quarters of double-digit like-for-like ('LFL') sales

- Continued success of digital investment programmes in the UK
  - E-commerce system sales ahead by more than 30%
  - App-based sales now represent the largest distribution channel driving 48.6% of online sales
  - In the UK e-commerce sales now represent 77.7% of all delivered sales

- Record new store opening programme in the UK
  - 61 (2014: 40) stores opened in the year
  - New store average weekly unit sales ('AWUS') 15% ahead of last year

- Further increase in franchisee profitability
  - Store EBITDA performance up from 13.6% to 15.5%,[6] driven by lower food prices

- Improving performance in international businesses
  - Economic recovery and operational improvements continue in the ROI
  - Strategic joint venture in Germany which has acquired the largest pizza delivery chain in the German market
  - Continued progress being made in Switzerland

- Group underlying operating profit up by 16.6% and EPS up by 18.6%

- Strong net cash flow of £29.4m and cash conversion of in excess of 100% – net cash of £40.4m and ready to resume share buy backs

- Momentum continues with a good start to 2016 despite increasingly tough comparatives through the rest of the year

Current trading

Like-for-like sales and year-to-date sales in the first nine weeks of 2016 trading are as follows:

	LFL sales	***YTD Total sales growth***
UK	10.5%	*16.1%*
ROI	13.7%	*13.2%*
Switzerland	4.3%	*21.1%*

Commenting on the results, Chief Executive Officer David Wild, said:

"2015 was a terrific year for Domino's Pizza Group; the UK performance was outstanding, reflecting continued investment in our e-commerce platform. This underpins both our like-for-like results and the success of our new store programme. Digital continues to be at the heart of our business, driving more customers and higher frequency of orders. Our cash conversion is strong and we have today announced that we are ready to resume share buy backs alongside a dividend that is up 18.6%. We have made an encouraging start to 2016, although we are conscious of increasingly tough comparatives through the rest of the year. I would like to thank the DPG team for their hard work. I also want to pay tribute to our franchisees whose tireless endeavours ensure that our customers continue to enjoy great pizzas at great prices every day – whether ordered online or by phone, delivered to the door or collected in store."

[6] Franchisee data submissions to end of December 2015 based on stores opened before 31 December 2013

For further information, please contact:

Domino's Pizza Group plc:
David Wild, Chief Executive Officer 020 7379 5151

Maitland:
Emma Burdett, Greg Lawless 020 7379 5151

Numis Securities Limited
Luke Bordewich, Richard Thomas 020 7260 1000

A presentation to analysts will be held at 09.30am on 3 March 2016 at Numis Securities Ltd, The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT.

Notes to Editors:
Domino's Pizza Group plc is the leading player in the fast-growing pizza market holding the exclusive master franchise to own, operate and franchise Domino's Pizza stores in the UK, Republic of Ireland, Switzerland, Liechtenstein and Luxembourg. Additionally it owns a strategic stake in the largest pizza delivery business in Germany. The first UK store opened in Luton in 1985 and the first Irish store opened in 1991.

As at 27 December 2015, the Group had the following stores:

	UK	ROI	Switzerland	Total
As at 28 December 2014	813	48	11	872
New store openings	61	-	4	65
Store closures[7]	5	1	-	6
As at 27 December 2015	869	47	15	931

Founded in 1960, Domino's is one of the world's leading pizza brands. Through its primarily franchised system, it operates a global network of more than 11,000 stores in over 70 international markets. Domino's has a singular focus –pizza made freshly to order with high quality ingredients.

Customers in the UK can order online at www.dominos.co.uk, in the Republic of Ireland at www.dominos.ie and in Switzerland at www.dominos.ch. In addition, mobile customers can order by downloading Domino's free iPhone, iPad and Android apps.

For photography, please visit the media centre at corporate.dominos.co.uk, contact the Domino's Press Office on +44 (0)1908 580654, or call Maitland on +44 (0)20 7379 5151

[7] 4 of the UK store closures relate to non traditional formats in motorway service stations, and 1 store is a deferred relocation

Chairman's statement

We celebrated our 30th anniversary in 2015 and I am very proud that the Group has produced another excellent set of results. We continue to deliver as one of the strongest franchises across the Domino's network worldwide and we are proud of our achievement as the number one pizza company in the UK and Republic of Ireland.

In the UK and ROI our success in 2015 is rooted in revenue-driven profit growth based on continued investment in e-commerce initiatives and record levels of new store openings, underpinned by improving franchisee profitability.

I am encouraged by the signs of progress we are seeing in Switzerland, where the mature store portfolio delivered improved profitability and where we continue to invest in new stores.

Towards the end of the year we announced our intention to form a joint venture with Domino's Pizza Enterprises Limited in order to acquire Joey's Pizza, Germany's largest pizza delivery chain, which will give us the opportunity to participate in a larger scale business in this market.

The Group's business model continues to be highly cash generative and will allow us to resume share buy backs.

Dividend

The Board recommends a final dividend for 2015 of 11.75p (2014: 9.69p) per share, being a 21.3% increase on the final dividend for the prior year. Together with the interim dividend of 9.0p per share paid on 4 September 2015, the total dividend for the year will be 20.75p per share, representing an increase of 18.6% on the dividend paid for the prior year (2014: 17.5p). The full year dividend is 1.7 times covered by underlying profits after tax (2014: 1.5 times). Subject to receiving shareholder approval at the Annual General Meeting on 20 April 2016, the final dividend will be paid on 25 April 2016 to shareholders on the register at the close of business on 11 March 2016.

Our people

Our business relies on a network of entrepreneurial, diligent and driven franchisees who serve our customers day and night. Every year I continue to be amazed by their ability to improve our business, for our mutual benefit. This year is no exception and I would like to place on record my thanks for all of their hard work and commitment, which continues to be the lifeblood of the business. Their willingness to invest in new stores and to explore other means of growth gives the Board continued confidence for the future.

Our franchisees in turn depend on Domino's employees, and I want to thank them for their ongoing commitment and contribution, helping to keep us as the number one pizza company in every neighbourhood in which we operate, despite ever-increasing competitive pressures.

Board changes

During the year we have focused on consolidating the significant changes we made to the Board in 2014, but also addressed two recruitment challenges.

Michael Shallow had served for slightly more than nine years as a non-executive Director when he retired from the Board on 31 July 2015. I would like to thank Michael for his stalwart contribution to the Board of Domino's, most recently as our Senior Independent Director, and we wish him well for the future.

In readiness for this event, Steve Barber joined the Board on 1 July 2015 as a non-executive Director and as chairman-designate of the Audit Committee. He brings over 40 years' experience in accountancy and finance to our Board, both from an audit and corporate perspective and also has strong general management experience.

In my report last year, I noted that we were seeking a new Chief Financial Officer. On 8 June 2015 Paul Doughty joined the Board and was appointed as our CFO. Paul has more than 20 years' commercial finance experience including 10 years as CFO with Moneysupermarket.com Group. Unfortunately this appointment did not work out as either we or Paul would have liked, and he subsequently resigned as a Director and left the Board on 31 December 2015. A selection process is currently underway as we continue to search for the best possible candidate.

Conclusion

In summing up, 2015 has been another year of excellent progress. I continue to be delighted with the momentum across the business and the entire team can be very proud of their efforts. Our focus is now on 2016 and I look forward with optimism to our continued progress in the next phase of the Group's development.

Stephen Hemsley

Non-executive Chairman

Chief Executive Statement

Overview

2015 was another very successful year for the Group with double-digit system sales growth, and I am particularly pleased with the strong performance of new stores in the UK, where we achieved a record number of openings. This excellent performance is the result of a relentless focus on driving our digital offering through investment and innovation, ambitious targets for new store openings and focusing on franchisee profitability. We had a good year in the Republic of Ireland despite currency headwinds, with growth driven by improved performance from digital channels.

Internationally we have ceased operating directly in the German market, having entered into a strategic joint venture arrangement which has acquired the largest pizza delivery chain in the country. I am also encouraged by our continued progress in Switzerland.

Our strategy remains simple and clear. We aim to be the number one pizza company in each neighbourhood in which we operate, through a commitment to offering the best product, service and quality to our customers.

UK and ROI

UK

The UK business delivered an impressive set of results from the 869 stores that were trading at the year-end (28 December 2014: 813). System sales were 16.8% ahead, driven by strong like-for-like performance with growth of 11.7%. Like-for-like order volumes were ahead by 9% whilst average order value grew by 2.4%, helped by an increased proportion of bundle deals offering value for money.

We believe that our continued focus on the three priorities set out in our preliminary announcement last year remains fundamental to our success in the UK:

- **e-commerce:** We have continued to increase investment in our digital offering, driving a higher number of customer visits, improved conversion rates and larger order values
- **New store openings:** The rate of openings accelerated in the period with a record number of 61 new stores in the UK in 2015; these continue to perform well, providing a foundation for future growth and confirming our long-term opportunity.
- **Franchisee profitability:** The Group has maintained its focus on franchisee profitability by continuing to pass on cost savings, therefore increasing the appetite for further investment by franchisees.

e-commerce

The Group's investment in e-commerce software development increased significantly in 2015 and it is expected to rise further in 2016, reflecting our continued commitment to providing the business, our customers and franchisees with a best-in-class digital platform. In the UK e-commerce sales now represent 77.7% of all delivered sales, up from 70.8% in 2014, with app-based sales accounting for 48.6% of online sales. Being digitally enabled allows us to drive further growth in the UK business.

Digital channels deliver a number of benefits to both the consumer and our franchisees. From a consumer perspective, promotional offers more easily accessed, ensuring that consumers get the best value. Franchisees benefit through store labour efficiencies and being better able to target local marketing campaigns, particularly through customer relationship management.

As a result of this strategy online orders in the UK were 28.6% ahead and average order value was 1.7% ahead of last year. App-based orders were 41.1% ahead and order value was 2.0% ahead. 11.5m customers have downloaded the app.

Despite these strong results we are striving to deliver further digital innovation in order to improve our customer experience even more. In July 2015 we launched our mobile responsive website which adapts and responds to the mobile device that the customer is using. Enhanced customer usability ultimately drives sales and profitability through improved engagement and conversion rates. During the fourth quarter we introduced the one-touch order button, which allows for credit card details and favourite baskets to be saved for future use, making the experience even more convenient. More enhancements are planned for the year ahead.

Brand

2015 saw our 30th anniversary in the UK as we concentrate on building our brand image. The success of our app downloads has enabled us to switch some advertising spend from digital to conventional, and we commenced sponsorship of the TV show 'Hollyoaks' in January 2015, which reaches 10 million viewers in the 16-34 age group. This has generated a media value of almost £12.0m, and has helped to drive spontaneous awareness of Domino's to 73% and improve brand recognition among teens and families. Our sponsorship of the X-Factor app ensures brand salience during the key weekend evening slots (2015 downloads: 2.4m). We launched our 'Pizza Legends' initiative, where customers can 'create their own' pizza, with great success across all channels, with almost 0.4m creations to date. The Channel 4 documentary 'A Slice of Life' demonstrated the truly extraordinary passion that our team members have, with over one million views resulting in a significant increase in recruitment applications.

Product

We continue to innovate, refresh and improve our product range to respond to changing customer demand: in terms of pizza development we saw the introduction of the Tikka Pizza and we reintroduced the hot dog stuffed crust. In stores we slowed oven speeds to allow for a longer cook time and to increase the quality of our finished product across the range.

The ‘basket’ composition has continued to evolve in the UK, as the Group has focused on providing value-oriented, full meal solutions through bundle offers. On a like-for-like basis, pizza volumes are 8.1% ahead, side orders are 12.1% ahead, and dessert and drink volumes are 14.8% and 32.7% ahead of 2014 respectively.

New stores

2015 saw record store openings of 61 in the UK bringing the total portfolio to 869 (2014: 813). The performance of these new stores has been excellent with average weekly unit sales (‘AWUS’) 14.5% ahead of similar openings in 2014. These include both virgin territories and those existing areas which have been ‘split’, increasing density, improving service for customers, and increasing sales and profitability for franchisees. Twenty six of the 61 stores opened were splits. We provide incentive packages to franchisees to encourage proactive opening of stores in areas that meet our strategic requirements for the estate, including lower address counts and splits. Depending on the nature of the incentive these may be spread over the life of the lease. The total incentives cost in 2015, including the impact from previous years, was £1.7m. Five stores were closed in 2015. Four of these were non-traditional formats, which had initially been launched as a trial in 2013 but did not generate sufficient volumes to make them viable. A full provision was made in 2014 for the costs associated with closing these stores.

Franchisees

Our franchisees sit at the heart of everything we do. They have both driven and shared in our success. The Group is committed to ensuring that they are successful, and in 2015 profitability improved year on year, primarily as a result of the benign food price environment combined with the Group’s purchasing power. In 2015 we passed on savings of £11m from lower food costs primarily from cheese and dough and the outlook remains favourable for 2016.

Supply chain

We are particularly proud of our supply chain in the UK, which is one of the most sophisticated and efficient across the Domino’s global network. Our main facility is located at West Ashland, Milton Keynes, with a secondary plant in the North-west in Penrith, and we opened a satellite base in Livingstone, Scotland, during the year. We have commenced our building project for a new main facility in Warrington which is due to open in early 2018, and are also opening a further satellite base in the South-west. Although the supply chain handled record volumes in 2015, it did so whilst improving on already excellent service levels to stores, with delivered-on-time-to stores measures increased to 99.8%.

It is our commitment to franchisees that we provide them with high quality product at low cost. Our philosophy is based on establishing long-term relationships and we are able to leverage the system's buying power to secure the most competitive deals with quality suppliers.

ROI

ROI delivered a good set of results despite currency headwinds with system sales of €56.0m (2014: €51.7m) in local currency, with a sterling value of £40.7m (2014: £41.8m). In local currency sales were ahead by 8.3%, but in sterling they were 2.7% behind, reflecting the relative strength of sterling against the euro. We now operate 47 stores across ROI with the Dublin stores performing well and benefiting from the continued economic recovery. We are looking at upgrading and relocating our supply chain centre.

Our digital channels continue to improve in ROI. Online sales were 30.4% ahead of 2014 and now represent 51.7% of delivered sales, up from 44.3% last year. App-based growth continues to drive digital adoption and now accounts for 60.2% of online sales, up from 46.9% in 2014.

Switzerland

We made good progress in Switzerland with three relocations and four new store openings, resulting in 15 stores at the end of 2015 (2014: 11), all of which are under corporate ownership and operation. Despite the pressures within the Swiss economy, on retail sales in particular, following the upward revaluation of the Swiss Franc at the beginning of 2015, our business managed to generate an increase in system sales of 18.4% in local currency to CHF17.0m (sterling: 21.0% and £11.7m). Like-for-like sales were 5.4% ahead of last year in local currency, with the mature store portfolio significantly improving profitability, although the country experienced a very hot summer with a negative impact on sales.

Underlying operating losses for the year were £1.3m (2014: £1.0m) with the increase reflecting the costs of training, food and labour associated with opening new stores. The increased profitability of the existing store portfolio gives us a solid base which allows us to continue building up the store network.

Germany

We announced in December 2015 that the Group has entered a strategic joint venture in Germany which has acquired the largest German pizza delivery chain. As a result of this transaction, the Group is no longer a direct operator in the German market. The transaction completed on 1 February 2016 and we are excited by the prospects that a scale business in this market can generate.

Most of our existing operations in Germany have been sold into the new joint venture. The remainder of the business has either closed down already or earmarked for closure. The total result for Germany, which is shown as discontinued operations, is a loss of £9.6m which includes underlying trading losses of £3.3m (2014: £7.3m).

Outlook

Despite the volatile macroeconomic environment, 2015 has been a record year for system sales, and also saw us entering into a landmark joint venture transaction to transform our activities in Germany. In Switzerland, we are seeing encouraging signs of progress and have completed a programme of store refurbishments which are already showing some of the intended improvements. The UK and ROI business continues to set sales records, and we sold 84.2m pizzas in the year, averaging over 230,000 per day. We continue to exploit the opportunities of new technology to the full, with e-commerce now being the source of over two thirds of our total sales. This robust base gives us confidence for the future, and during 2016 we expect to be opening around 65 new stores and will be investing in additional supply chain centres in the UK and ROI. We have opened six stores in the UK and one store in Switzerland in 2016 already and we believe that significant growth remains possible in the core UK and ROI business for many years to come. We have made a good start to 2016, although we are conscious of increasingly tough comparatives for the rest of the year.

Financial Review

The Group operates across a number of territories. The key performance indicators are shown below and the results relate to continuing operations. 2014 has been restated accordingly.

	27 December 2015	**28 December 2014**	***Variance***
System Sales (£m)			
UK and ROI	£865.6m	£748.2m	*15.7%*
Switzerland	£11.7m	£9.6m	*21.9%*
Like-for-like system sales growth			
UK	11.7%	11.3%	
ROI	8.6%	4.3%	
Switzerland	5.4%	4.7%	
Statutory revenue (£m)			
UK	£283.7m	£257.6m	*10.1%*
ROI	£21.4m	£21.5m	*(0.5)%*
Switzerland	£11.7m	£9.6m	*21.9%*
Underlying operating profit/(loss) (£m)			
UK & ROI	£74.5m	£63.8m	*16.8%*
Switzerland	£(1.3)m	£(1.0)m	*(27.9)%*
Underlying basic EPS (pence)	35.7	29.9	*19.4%*

Revenue

Group sales increased by £28.1m or 9.7% to £316.8m (2014: £288.7m). The increase in revenues is driven by a 15.8% increase in system sales. In the UK revenue saw a 10.1% increase to £283.7m (2014: £257.6m) and in Ireland revenue remained flat at £21.4m, owing to currency headwinds. In Switzerland revenue increased by 21.9% to £11.7m.

Commodity prices

During 2015, we and our franchisees enjoyed the benefits of a benign food price landscape with a record low cheese price, favourable wheat price and a fall in fuel costs. For the full year 2015 the average food basket in the UK saw a year-on-year decrease of 1.6% of store sales over 2014, which is a combination of the favourable food cost environment and the continued efforts of our supply chain procurement function to leverage the Group's buying power and secure the most competitive deals with quality suppliers. Food costs remain benign going into 2016.

Underlying operating profit/(loss)

Underlying operating profit increased by 16.6% to £73.2m, higher than system sales, demonstrating the favourable operational gearing from our operating model.

In the UK and ROI underlying operating profit increased by 16.8% to £74.5m (2014: £63.8m), compared with system sales growth of 15.7%. The share of profits from our investments in associates and joint ventures has increased to £1.7m, up from £1.0m in 2014. We continue to view these joint operations as an excellent value generator and the opportunity to share in the full value chain of the Domino's system.

In Switzerland the underlying operating loss increased to £1.3m (2014: £1.0m) as a result of the costs associated with the opening of new stores. Our mature store portfolio increased its profitability compared to 2014.

Discontinued operations

As a result of the transaction to enter into a strategic joint venture in Germany in December 2015, which means that the Group ceased direct operations in this market, the German results are disclosed as discontinued operations. They comprise an underlying trading loss of £3.3m (2014: £7.3m) and non-underlying charges of £6.7m (2014: £1.0m), which comprise closure and exit related costs.

The tax impact of discontinued operations is a £0.4m credit (2014: £1.6m credit)

Interest

Net interest expense for 2015 was £nil (2014: £1.4m), primarily comprising net external interest of £0.1m (2014: £0.8m), net impact of the unwinding of discounts relating to long-term provisions of £nil (2014: 0.5m), offset by foreign exchange impact on foreign currency loans of £0.1m (2014: £0.3m expense).

Taxation

The underlying and statutory effective tax rate is 19.0% (2014: underlying: 20.1%; statutory: 20.6%), reflecting the impact of some prior year adjustments and the decrease in the UK corporation tax rate from 23% to 21% from 6 April 2014, and from 21% to 20% from 6 April 2015.

Earnings per share

Underlying basic earnings per share for the period was 35.7p, representing 19.4% growth over last year (2014: 29.9p). Underlying diluted earnings per share for the period was 35.2p, up 18.5% on the prior year (2014: 29.7p).

Statutory basic earnings per share for the period was 35.7p, up 19.8% on the prior year (2014: 29.8p). Statutory diluted earnings per share for the period of 35.2p was up 18.9% on the prior year (2014: 29.6p).
Statutory basic and diluted earning per share from continuing and discontinued operations for the year were 29.9p (2014: 25.9p) and 29.5p (2014: 25.8p) respectively.

Cash flows and cash balance

The Group has a consistent record for strong cash generation. As at 27 December 2015 the Group had net cash of £40.4m (28 December 2014: net cash of £11.0m). Cash flow from operations was £80.4m (2014: £68.5m) with an EBITDA conversion rate of in excess of 100%. The main cash outflows related to dividends of £31.0m (2014: £27.5m), taxation of £11.4m (2014: £8.1m) and capital expenditure of £12.0m (2014: £6.9m). Capital spend included IT related investments of £5.0m (2014: £2.5m) and supply chain maintenance and expansionary purchases of £1.5m (2014: £1.3m).

The Group continues to support franchisee investments in new store development through leasing arrangements through DP Capital Limited. After repayments the balance outstanding at the year-end on these leases was £2.0m (2014: £2.2m). These facilities are financed by a limited recourse facility and the amounts drawn down at the year-end stood at £1.9m (2014: £2.3m)

The Group has a revolving credit facility of £30m, of which £19.5m was undrawn, and also had £52.8m of cash. The facility attracts an interest rate of 135bps over LIBOR and expires in August 2017. The Directors are confident that the Group will continue to have sufficient liquidity and headroom and will look to refinance the facility during 2016, taking into planned capital spend and shareholder returns.

Capital employed and balance sheet

Non-current assets increased from £91.6m to £95.7m, primarily due to fixed assets additions, including software development of £5.0m and Swiss assets of £2.2m relating to store expansion, offset by the depreciation charge, and a £0.8m increase in the investments in associates.

Current assets increased from £74.4m to £89.7m. This was as a result of an increase in cash and cash equivalents of £19.2m, offset by a reduction in trade receivables of £6.0m.

Current liabilities decreased from £78.3m to £71.3m after the repayment of the Group's short-term facility of £15 million in early 2015, primarily offset by an increase in trade and other payables of £5.4m and an increase in provisions of £4.8m.

Total provisions increased by £4.1m to £7.3m, which comprise closure costs for the German operation and provisions for onerous leases.

GROUP INCOME STATEMENT

	Notes	**52 weeks ended 27 December 2015**	52 weeks ended 28 December 2014 (restated)
Continuing operations		**£000**	£000
Revenue		**316,788**	288,691
Cost of sales		**(193,171)**	(180,202)
Gross profit		**123,617**	108,489
Distribution costs		**(18,949)**	(16,021)
Administrative costs		**(33,211)**	(31,184)
		71,457	61,284
Share of post tax profits of associates and joint ventures		**1,724**	1,047
Operating profit		**73,181**	62,331
Other gains and losses		**-**	1,147
Profit before interest and taxation		**73,181**	63,478
Finance income		**362**	620
Finance expense		**(380)**	(1,996)
Profit before taxation		**73,163**	62,102
Taxation	3	**(13,874)**	(12,745)
Profit for the year from continuing operations		**59,289**	49,357
Discontinued operations			
Loss for the year from discontinued operations		**(9,626)**	(6,619)
Profit for the year attributable to owners of the Company		**49,663**	42,738
Earnings per share			
From continuing operations			
- Basic (pence)	4	**35.7**	29.8
- Diluted (pence)	4	**35.2**	29.6
From continuing and discontinued operations			
- Basic (pence)	4	**29.9**	25.9
- Diluted (pence)	4	**29.5**	25.8

GROUP STATEMENT OF COMPREHENSIVE INCOME

	52 weeks Ended 27 December 2015 £000	52 weeks Ended 28 December 2014 £000
Profit for the period	**49,663**	42,738
Other comprehensive income:		
Exchange differences on retranslation of foreign operations	**(852)**	(188)
Other comprehensive income for the period, net of tax to be reclassified to profit or loss in subsequent periods	**(852)**	(188)
Total comprehensive income for the period	**48,811**	42,550
Total comprehensive income for the year attributable to:		
Owners of the parent	**48,811**	42,750
Non-controlling interests	**-**	(200)
	48,811	42,550

GROUP BALANCE SHEET

	At 27 December 2015 £'000	At 28 December 2014 (restated) £'000
Non-current assets		
Intangible assets	12,000	10,561
Property, plant and equipment	58,566	57,374
Prepaid operating lease charges	1,010	1,072
Trade and other receivables	7,107	5,618
Net investment in finance leases	1,209	1,285
Investments in associates and joint ventures	7,985	7,170
Deferred tax asset	7,851	8,507
	95,728	91,587
Current assets		
Inventories	6,208	4,826
Prepaid operating lease charges	194	198
Trade and other receivables	28,747	34,735
Net investment in finance leases	774	900
Cash and cash equivalents	52,860	33,743
Assets classified as held for sale	935	-
	89,718	74,402
Total assets	185,446	165,989
Current liabilities		
Trade and other payables	(52,912)	(47,523)
Deferred income	(4,312)	(4,584)
Financial liabilities	(988)	(16,054)
Deferred and contingent consideration	(2,865)	(3,841)
Current tax liabilities	(4,151)	(5,072)
Provisions	(6,113)	(1,270)
	(71,341)	(78,344)
Non-current liabilities		
Trade and other payables	(316)	-
Financial liabilities	(11,450)	(6,731)
Deferred income	(3,334)	(2,938)
Deferred and contingent consideration	-	(2,483)
Deferred tax liabilities	(115)	(95)
Provisions	(1,215)	(2,000)
Total liabilities	(87,771)	(92,591)
Net assets	97,675	73,398
Shareholders' equity		
Called up share capital	2,606	2,592
Share premium account	29,155	25,597
Capital redemption reserve	425	425
Capital reserve – own shares	(2,238)	(2,238)
Currency translation reserve	(280)	572
Retained earnings	68,007	46,450
Total equity	97,675	73,398

GROUP STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium Account	Capital Redemption Reserve	Capital Reserve-Own Shares	Currency Translation Reserve	Other Reserve	Retained Earnings	Equity Shareholder's Funds	Non-Controlling Interests	Total Equity
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 29 December 2013	**2,570**	**20,156**	**425**	**(1)**	**760**	**3,432**	**37,236**	**64,578**	**(4,424)**	**60,154**
Profit for the Period	-	-	-	-	-	-	42,938	42,938	(200)	42,738
Other comprehensive expense – exchange differences	-	-	-	-	(188)	-	-	(188)	-	(188)
Total comprehensive income for the period	-	-	-	-	(188)	-	42,938	42,750	(200)	42,550
Proceeds from share issues	8	2,023	-	-	-	-	-	2,031	-	2,031
Issue of ordinary shares on acquisition of non-controlling interest	14	3,418	-	-	-	(3,432)	-	-	-	-
Purchase of own shares	-	-	-	(2,237)	-	-	-	(2,237)	-	(2,237)
Share transaction charges	-	-	-	-	-	-	(142)	(142)	-	(142)
Vesting of LTIP grants	-	-	-	-	-	-	(2,769)	(2,769)	-	(2,769)
Tax on employee share options	-	-	-	-	-	-	392	392	-	392
Share options and LTIP charge	-	-	-	-	-	-	899	899	-	899
Equity dividends paid	-	-	-	-	-	-	(27,480)	(27,480)	-	(27,480)
Acquisition of non-controlling interesr	-	-	-	-	-	-	(4,624)	(4,624)	4,624	-
At 28 December 2014	**2,592**	**25,597**	**425**	**(2,238)**	**572**	**-**	**46,450**	**73,398**	**-**	**73,398**
Profit for the Period	-	-	-	-	-	-	49,663	49,663	-	49,663
Other comprehensive expense – exchange differences	-	-	-	-	(852)	-	-	(852)	-	(852)
Total comprehensive income for the period	-	-	-	-	(852)	-	49,663	48,811	-	48,811
Proceeds from share issues	14	3,558	-	-	-	-	-	3,572	-	3,572
Share transaction charges	-	-	-	-	-	-	(8)	(8)	-	(8)
Vesting of LTIP grants	-	-	-	-	-	-				
Tax on employee share options	-	-	-	-	-	-	1,580	1,580	-	1,580
Share options and LTIP charge	-	-	-	-	-	-	1,328	1,328	-	1,328
Equity dividends paid	-	-	-	-	-	-	(31,006)	(31,006)	-	(31,006)
At 27 December 2015	**2,606**	**29,155**	**425**	**(2,238)**	**(280)**	**-**	**68,007**	**97,675**	**-**	**97,675**

GROUP CASH FLOW STATEMENT

	52 weeks ended 27 December 2015	52 weeks ended 28 December 2014
Cash flows from operating activities	**£000**	£000
Profit for the period	**49,663**	42,738
Income tax expense	**13,501**	11,059
Net finance costs	**17**	1,375
Share of post tax profits of associates	**(1,724)**	(1,047)
Amortisation and depreciation	**6,779**	5,824
Impairment	**326**	1,036
Loss / (profit) on disposal of non-current assets	**84**	(1,147)
Share option and LTIP charge	**1,328**	899
Other non cash movements		
(Increase)/(decrease) in inventories	**(1,402)**	(616)
Decrease/(increase) in receivables	**1,804**	(1,626)
Increase in payables	**5,775**	11,447
Increase/(decrease) in deferred income	**131**	(339)
Increase/(decrease) in provisions	**4,091**	(1,100)
Cash generated from operations	**80,373**	68,503
UK corporation tax	**(10,922)**	(7,499)
Overseas corporation tax paid	**(476)**	(612)
Net cash generated by operating activities	**68,975**	60,392
Cash flows from investing activities		
Interest received	**191**	186
Dividends received from associates	**490**	45
Decrease in loans to associates and joint ventures	**542**	582
Decrease in loans to franchisees	**2,174**	3,275
Refinancing of loans to franchisees		
Payments to acquire finance lease assets	**(93)**	(741)
Receipts from repayment of franchisee finance leases	**1,288**	1,121
Purchase of property, plant and equipment	**(6,763)**	(4,412)
Deferred consideration for Domino's Leasing	**(3,517)**	(1,208)
Purchase of other non-current assets	**(5,267)**	(2,532)
Receipts from the sale of other non-current assets	**-**	1,059
Purchase of non-controlling interest	**-**	(132)
Net cash used by investing activities	**(10,955)**	(2,757)
Cash inflow before financing	**58,020**	57,635
Cash flow from financing activities		
Interest paid	**(278)**	(807)
Issue of ordinary share capital	**3,572**	2,038
Purchase of own shares	**-**	(2,243)
Payments under LTIP schemes	**(8)**	(2,914)
New bank loans and facilities draw down	**5,657**	31,912
Repayment of borrowings	**(16,329)**	(56,253)
Equity dividends paid	**(31,006)**	(27,480)
Net cash used by financing activities	**(38,392)**	(55,747)
Net increase in cash and cash equivalents	**19,628**	1,888
Cash and cash equivalents at beginning of period	**33,743**	31,597
Foreign exchange (loss)/gain on cash and cash equivalents	**(511)**	258
Cash and cash equivalents at end of period	**52,860**	33,743

NOTES TO THE GROUP FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of preparation

The preliminary results for the 52 weeks ended 27 December 2015 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and are in line with the accounting policies set out in the interim financial statements for the 26 weeks ended 28 June 2015.

The financial information in the preliminary statement of the results does not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006 (the Act). The financial information for the 52 weeks ended 27 December 2015 has been extracted from the statutory accounts on which an unqualified audit opinion has been issued. Statutory accounts for the 52 weeks ended 27 December 2015 will be delivered to the Registrar of Companies following the Company's Annual General Meeting.

The financial statements, and this preliminary statement, of Domino's Pizza Group plc for the 52 weeks ended 27 December 2015 were authorised for issue by the Board of Directors on 2 March 2016 and the balance sheet was signed on behalf of the Board by David Wild, Chief Executive Officer.

The statutory accounts have been delivered to the Registrar of Companies in respect of the 52 weeks ended 28 December 2014 and the Auditors of the Company made a report thereon under section 235 of the Act. That report was an unqualified report and did not contain a statement under section 498(2) or (3) of the Act

2. SEGMENTAL INFORMATION

For management purposes, the Group is organised into three geographical business units, based on the territories governed by the Master Franchise Agreement ("MFA"): the United Kingdom, Ireland, and Switzerland. These are considered to be the Group's operating segments as the information provided to the chief operating decision makers, who are considered to be the Executive Directors of the Board, is based on these territories. Revenue included in each includes all sales (royalties, Supply Chain Centre sales, rental income and finance lease income) made to franchise stores located in that segment. Segment results for the Ireland segment include both the Republic of Ireland and Northern Ireland as both of these territories are served by the same Supply Chain Centre.

In December 2015 the Group publically announced that it had agreed to sell its German operations. As the German business represented a separate major geographic area of operations we have classed this segment as a discontinued operation in the 52 weeks ended 27 December 2015. The segmental information in this note excludes the discontinued operation.

2. SEGMENTAL INFORMATION (continued)

Operating segments	**52 weeks ended 27 December 2015**				**52 weeks ended 28 December 2014**			
	Switzerland £000	**Ireland £000**	**United Kingdom £000**	**Total £000**	**Switzerland £000**	**Ireland £000**	**United Kingdom £000**	**Total £000**
Segment revenue								
Sales to external customers	11,698	21,381	283,709	316,788	9,590	21,461	257,640	288,691
Results								
Segment result	(1,303)	5,035	67,725	71,457	(1,019)	5,034	57,738	61,753
Exceptional items	-	-	-	-	-	(863)	394	(469)
Share of profit of associates	-	-	1,724	1,724	-	-	1,047	1,047
Group operating profit	(1,303)	5,035	69,449	73,181	(1,019)	4,171	59,179	62,331
Profit on sale of investments	-	-	-	-	949	-	198	1,147
	(1,303)	5,035	69,449	73,181	(70)	4,171	59,377	63,478
Net finance costs				(18)				(1,376)
Profit before tax and discontinued operations				73,163				62,102
Assets								
Segment current assets	901	1,132	33,839	35,872	782	1,271	36,794	38,847
Segment non-current assets	9,672	1,960	68,160	79,792	7,295	2,124	66,363	75,782
Equity accounted investments	-	-	7,985	7,985	-	-	7,170	7,170
Unallocated assets				60,711				42,250
Assets relating to discontinued operations				1,086				1,940
Total assets	10,573	3,092	109,983	185,446	8,077	3,395	110,327	165,989
Liabilities								
Segment liabilities	1,615	1,612	60,253	63,480	1,532	1,706	52,723	55,961
Unallocated liabilities				17,616				31,938
Liabilities relating to discontinued operations				6,675				4,692
Total liabilities	1,615	1,612	60,253	87,771	1,532	1,706	52,723	92,591

3. TAXATION

(a) Tax on profit on ordinary activities

Tax charged in the income statement

	Continuing operations		Discontinued operations		Total	
	52 weeks ended 27 December 2015 £'000	52 weeks ended 28 December 2014 £000	52 weeks ended 27 December 2015 £'000	52 weeks ended 28 December 2014 £000	52 weeks ended 27 December 2015 £'000	52 weeks ended 28 December 2014 £000
Current income tax:						
UK corporation tax						
- current period	13,026	11,406	(986)	(1,626)	12,040	9,780
- adjustment in respect of prior periods	(546)	(152)	(1,015)	-	(1,561)	(152)
	12,480	11,254	(2,001)	(1,626)	10,479	9,628
Income tax of overseas operations on profits for the period	430	415	919	-	1,349	415
Total current income tax	12,910	11,669	(1,082)	(1,626)	11,828	10,043
Deferred tax:						
Origination and reversal of temporary differences	994	1,796	23	6	1,017	1,802
Effect of change in tax rate	375	-	62		437	-
Adjustment in respect of prior periods	(405)	(720)	624	(66)	219	(786)
Total deferred tax	964	1,076	709	(60)	1,673	1,016
Tax charge/(credit) in the income statement	13,874	12,745	(373)	(1,686)	13,501	11,059

4. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would have been issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	52 weeks ended 27 December 2015	52 weeks ended 28 December 2014
Continuing operations	**£000**	**£000**
Profit for the period attributable to owners of the Company	59,289	49,357
Amounts excluded from underlying profit	-	91
Amounts included in operating profit	-	469
- Other gains and losses	-	(1,147)
- Discount unwind	-	722
- Taxation impact	-	47
-		
Underlying profit attributable to owners of the Company	59,289	49,448
Continuing and discontinued operations		
Continuing operations profit attributable to owners of the Company	59,289	49,357
Discontinued operations loss attributable to owners of the Company	(9,626)	(6,619)
Total profit attributable to owners of the Company	**49,663**	**42,738**

	At 27 December 2015 No.	At 28 December 2014 No.
Basic weighted average number of shares (excluding treasury shares)	166,068,239	165,471,079
Dilutive effect of share options and awards	2,133,293	1,130,827
Diluted weighted average number of shares	168,201,532	166,601,906

The performance conditions of the share options granted over 631,562 shares (2014: 1,087,596) have not been met in the current financial period and therefore the dilutive effect of the number of shares which would have been issued at the period end have not been included in the diluted earnings per share calculation.

NOTES TO THE GROUP FINANCIAL STATEMENTS

4. EARNINGS PER SHARE (continued)

There are no share options excluded from the diluted earnings per share calculation because they would be anti dilutive (2014: 3,000,000).

	52 weeks ended 27 December 2015	52 weeks ended 28 December 2014
Continuing operations		
Basic earnings per share	35.7p	29.8p
Diluted earnings per share	35.2p	29.6p
Underlying earnings per share		
- Basic earnings per share	35.7p	29.9p
- Diluted earnings per share	35.2p	29.7p
Discontinued operations		
Basic losses per share	(5.8p)	(4.0p)
Diluted losses per share	(5.7p)	(3.9p)
Continuing and discontinued operations		
Basic earnings per share	29.9p	25.9p
Diluted earnings per share	29.5p	25.8p

5. DIVIDENDS PAID AND PROPOSED

	52 weeks ended 27 December 2015 £000	52 weeks ended 28 December 2014 £000
Declared and paid during the year:		
Equity dividends on ordinary shares:		
Final dividend for 2014: 9.69p (2013: 8.80p)	16,039	14,551
Interim dividend for 2015: 9.00p (2014: 7.81p)	14,967	12,929
Dividends paid	31,006	27,480

Proposed for approval by shareholders at the AGM (not recognised as a liability at 27 December 2015 or 28 December 2014)

Final dividend for 2015: 11.75p (2014 9.69p)	19,513	16,034

NOTES TO THE GROUP FINANCIAL STATEMENTS

6. ADDITIONAL CASH FLOW INFORMATION

Analysis of Group net cash /(debt)

	At 28 December 2014 £000	Cash flow £000	Exchange differences £000	Non-cash movements £000	At 27 December 2015 £000
Cash and cash equivalents	33,743	19,628	(511)	-	52,860
Bank revolving facility	(5,447)	(4,698)	(287)	(53)	(10,485)
Bank loans	(15,000)	15,000	-	-	-
Finance leases	(60)	13	2	-	(45)
Other loans	(2,278)	370	-	-	(1,908)
Adjusted net cash	10,958	30,313	(796)	(53)	40,422
Other loans	-	-	-	-	-
Net cash	10,958	30,313	(796)	(53)	40,422

	At 29 December 2013 £000	Cash flow £000	Exchange differences £000	Non-cash movements £000	At 28 December 2014 £000
Cash and cash equivalents	31,597	1,888	258	-	33,743
Bank revolving facility	(29,814)	24,494	41	(168)	(5,447)
Bank loans	(13,000)	(2,000)	-	-	(15,000)
Finance leases	(134)	71	3	-	(60)
Other loans	(2,213)	(65)	-	-	(2,278)
Adjusted net (debt)/cash	(13,564)	24,388	302	(168)	10,958
Non-recourse loans					
Other loans	(2,090)	2,059	31	-	-
Net (debt)/cash	(15,654)	26,447	333	(168)	10,958