For Immediate Release **24 July 2002**

DOMINO'S PIZZA UK & IRL plc
INTERIM RESULTS
FOR THE TWENTY-SIX WEEKS ENDED 30th JUNE 2002

Domino's Pizza UK & IRL plc ("Domino's Pizza", symbol: DOM) announces its interim results for the twenty-six weeks ended 30 June 2002.

Highlights

- System sales increased 24.6% to £57.8m (2001: £46.4m)
- Like for like sales up 15.8% (2001: 22.0%)
- 18 new stores opened (2001: 13 stores)
- Operating profit rose 41.3% to £1.88m (2001: £1.33m)
- Profit before tax increased 45.6% to £1.72m (2001: £1.18m)
- Basic earnings per share up 41.8% to 2.34p (2001: 1.65p). Diluted earnings per share up 35.0% to 2.20p (2001: 1.63p)
- Interim dividend increased 36.8% to 0.78p per share (2001: 0.57p)
- Group turnover up 26.3% to £26.2m (2001: £20.8m)
- Number of stores up to 255 (2001: 228 stores)

Stephen Hemsley, Chief Executive of Domino's Pizza, commented:

"The business is rapidly approaching a position where all major infrastructure costs and royalty increases have been absorbed. From then on the marginal contribution from increases in system sales, whether this be from new store openings or continuing buoyant like-for-like sales increases, will be significant. I therefore look forward with great optimism to our maintaining the progress achieved in the first half of the year."

Contact:
Domino's Pizza **01908 580672 / 07909 928016**
Stephen Hemsley / Bernadette Eddisford
Buchanan Communications **020 7466 5000**
Richard Oldworth / Isabel Petre

Notes to editors:
Domino’s Pizza UK & IRL plc is quoted on the Alternative Investment Market of the London Stock Exchange (symbol: DOM). Its subsidiary, Domino’s Pizza Group Limited, is the UK’s leading pizza delivery company and holds the exclusive master franchise to own, operate and franchise Domino’s Pizza stores in the UK and Ireland. The first UK store opened in 1985 and today there are 258 stores in the UK and Ireland, employing almost 6000 people.

Domino’s Pizza is world leader in pizza delivery and was founded in the United States in 1960. There are currently more than 7,000 stores open across 64 international markets employing over 120,000 people.

CHIEF EXECUTIVE'S STATEMENT

INTRODUCTION

I am very pleased to once again report that your company has made strong progress in the twenty-six weeks ended 30 June 2002. Continued strong system sales growth and an accelerated store-opening programme have contributed to record half-year results. This has consolidated our position of clear leadership in the home delivery pizza market.

A particularly welcome aspect of the performance was the rate of growth in profits compared with the rate of growth in sales. As we absorb both the cost of the infrastructure necessary to grow to our 2006 target of 500 stores and the increased royalty due to Domino's in the US, the marginal profit contribution from the growth in system sales should accelerate. It is therefore very gratifying to note that, even though some overhead costs will continue to grow, pre-tax profit in the twenty-six weeks to 30 June 2002 increased 45.6% on a system sales increase of 24.6%.

We have also made excellent progress during the period in establishing the internal infrastructure necessary to locate property and build the stores required to meet our target.

SALES

System sales, which represent the sales from all the underlying stores whether corporate or franchised, totalled £57.8m (2001: £46.4m) in the twenty-six weeks to 30 June 2002, an increase of 24.6%. Like-for-like sales were 15.8% (2001: 22.0%) ahead.

This strong performance is attributable to our continued focus on the fundamentals of the Domino's Pizza system – product, service and image. Key to this is the quality of our pizza. The use of fresh dough and fresh ingredients is an expensive and time-consuming commitment. However, this is what truly distinguishes our pizza and ensures we maintain high levels of customer satisfaction and repeat purchasing. We also perceive that stores are benefiting from the continued consumer shift away from so-called 'fast food' towards high quality convenience and delivered foods such as our hand-made, fresh pizza.

Service is another key aspect of our business and is one of the main reasons that customers come back and order time and time again. Providing great service starts with our well-trained order takers and continues right through to the prompt and safe delivery of a hot, fresh pizza. It is essential that we remain focused on service and devise efficient in-store systems and procedures in order to ensure that we consistently exceed customers' expectations. We must also recruit the best people, training them thoroughly and continually supporting the stores in which they work. It is an old cliché, but we are only as good as our people!

We have continued with the store refurbishment programme with the objective of bringing all stores up to the same high quality and consistency of image expected of the market leader in home delivered pizza. In one of our consumer focus groups, someone summed this up by saying: “if the image is tired, the food is tired”. In other words, if the shop front and the customer area do not look clean, bright and professional, then how can customers possibly believe that we operate to the highest standards and use the finest ingredients in making our pizza? We therefore ensure that our image is always a reflection of the high quality of our pizza and operating standards.

Our significant sales growth has also been greatly assisted by effectively communicating our focus on product, service and image, and the continued use of targeted and effective national, terrestrial TV advertising. This has been supported by continued sponsorship of The Simpsons on Sky One, and by additional advertising campaigns on a number of cable and satellite channels, which continue to communicate the benefits of our Heatwave™ technology.

Domino’s presence on every major national interactive TV platform, together with our nationwide online ordering service, continues to give us an unchallenged market-leading position in the application of e-commerce to the food delivery sector. E-commerce net sales increased by 28% in the six months to 30 June 2002 and totalled £1.9m in the period (2001: £1.49m).

RESULTS

Group turnover, which includes royalty income, food sales and sales made by corporate stores was 26.3% ahead at £26.2m (2001: £20.8m). Operating profit rose 41.3% to £1.88m (2001: £1.33m). During the first half of 2001 the average rate of royalty paid to Domino’s in the US was 1.6% compared with 2.5% in the current year. Were a consistent royalty applied to both period the rate of growth in underlying profits would have been 88%. The final increase in the royalty to 2.7% occurs on 1 January 2003.

The interest charge at £193,000 (2001: £180,000) increased slightly due to higher net borrowings during the period. This resulted principally from the £1.5m investment made in the new Commissary facility in Penrith, which is due to open in August. This third commissary facility will complete the manufacturing and distribution infrastructure required to support at least 500 stores. Despite the slightly higher interest charge, interest cover increased to 9.9 times compared with 7.6 times in 2001.

I am pleased to report that, as anticipated, the Irish commissary that opened in November 2000, is now achieving a monthly profit and this is as a direct result of the opening of five new Irish stores.

Profit before tax increased by 45.6% to £1.72m (2001: £1.18m). The provision for taxation increased to an effective rate of 32% (2001: 28%) in line with our early adoption of FRS 19 announced at the previous year-end. As a result profits after tax increased 42.4% to £1.2 million from £0.83 million.

Basic earnings per share increased 41.8% to 2.34 pence per share from 1.65 pence per share. Diluted earnings per share increased 35.0% to 2.20 pence per share from 1.63 pence per share. The Board has declared an interim dividend of 0.78 pence per share, an increase of 38.6% (2001: 0.57 pence per share). The dividend will be paid on 4 September 2002 to shareholders on the register on 2 August 2002.

SYSTEM EXPANSION

In the first twenty-six weeks of 2002, 18 new stores were opened (2001: 13 stores) bringing the total to 255 stores at 30 June 2002 (2001: 228 stores). Four of these new stores were opened in the Republic of Ireland. The additional resources which have been committed to new store openings have had an impact on both the number of stores opened in the first half of the current year and also on the pipeline of stores we take into the second half of the year and beyond. Whilst we remain confident that our target of 500 stores by the end of 2006 remains realistic, our strict selection criteria for new store sites, combined with the ever more stringent planning requirements, make the identification of property one of our key challenges.

In the period, we continued to attract a steady flow of high quality franchisee candidates and are pleased to report that Domino’s Pizza remains one of the UK and Ireland’s most sought-after franchise opportunities.

CORPORATE STORES

The continued focus on the basic principles of the business that has proven so successful in driving sales in franchise stores has been equally successful within corporate stores with sales growth matching that of the system. This compares with growth of less than half the system average in the comparable period in the previous year. This focus has however, lead to some erosion of margin as some stores have experienced operational difficulties in handling the increased volume.

The overall structuring of corporate stores continues to be reviewed to ensure we strike the right balance between effective control of this valuable portfolio and cost effectiveness. As a result, supervisory management has been reduced, whilst the number of stores has been increased from 34 on 30 December 2001 to 36 at 30 June 2002.

Overall, the contribution from corporate stores has been at a similar level to that achieved in the previous year, after adjustment for some modest one-off costs associated with the reductions in management team.

THE COMMUNITY

Supporting the communities in which our stores operate is just as important as delivering quality pizza on time and whilst we are proud of our national achievements, the heart of the Domino's Pizza business will always remain in the local communities we serve.

Domino's and our franchisees support communities in many ways – designing our stores in a sympathetic manner, employing local people, showing respect for the environment, encouraging our team members to be caring citizens, taking our skills into schools and colleges and supporting worthwhile local organisations, for example.

In 2002, we became organisers of the Lollipop Person of the Year awards. Aimed at recognising the achievements and contributions of school crossing patrols, the Lollipop awards were supported by Domino's Pizza stores all over the UK and Ireland, and gave communities the opportunity to recognise their local heroes.

PEOPLE

We are very fortunate that the opportunities arising from the rapid growth of Domino's in the UK and Ireland have allowed us to attract and retain some of the most exceptional people in the industry. To ensure that we bind these exceptional people into a team we must constantly communicate with them both formally and informally. These principles hold true for both our own staff and also our franchisee partners.

We will therefore continue to devote considerable resources to doing just that, communicating with our staff, our franchisees and their team members to ensure the objectives of the business and principles by which we operate it are embraced, particularly our commitment to the use of fine, fresh ingredients. My grateful thanks and congratulations go to all of those who have contributed to the success of Domino's Pizza. I strongly believe that if we continue to operate as such an effective a team, then the Domino's business in the UK and Ireland will continue to go from strength to strength.

OUTLOOK

The business is rapidly approaching a position where all major infrastructure costs and royalty increases have been absorbed. From then on the marginal contribution from increases in system sales, whether this be from new store openings or continuing buoyant like-for-like sales increases, will be significant. I therefore look forward with great optimism to our maintaining the progress achieved in the first half of the year.

Stephen Hemsley

Chief Executive

23 July 2002

GROUP PROFIT AND LOSS ACCOUNT

	Notes	*(Unaudited) 26 weeks to 30 June 2002 £000*	*Restated (Unaudited) 26 weeks to 1 July 2001 £000*	*Year ended 30 December 2001 £000*
TURNOVER				
Turnover: group and share of joint venture's turnover		26,909	21,277	45,185
Less: share of joint venture's turnover		(693)	(524)	(1,360)
GROUP TURNOVER		26,216	20,753	43,825
Cost of sales		(13,906)	(11,252)	(23,132)
GROSS PROFIT		12,310	9,501	20,693
Distribution costs		(4,366)	(3,485)	(7,150)
Administration expenses		(6,066)	(4,688)	(10,230)
		1,878	1,328	3,313
Other operating income/(expenses)		-	-	(169)
GROUP OPERATING PROFIT		1,878	1,328	3,144
Share of operating profit in joint venture		37	35	75
Amortisation of goodwill on joint venture		(3)	(2)	(5)
		34	33	70
TOTAL OPERATING PROFIT: GROUP AND SHARE OF JOINT VENTURE		1,912	1,361	3,214
Net interest payable		(193)	(180)	(352)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,719	1,181	2,862
Tax on profit on ordinary activities	2	(541)	(354)	(858)
PROFIT FOR THE FINANCIAL PERIOD		1,178	827	2,004
Dividends on equity shares		(395)	(285)	(668)
RETAINED PROFIT FOR THE PERIOD		783	542	1,336
Earnings per share - basic	3	2.34p	1.65p	4.00p
- diluted		2.20p	1.63p	3.88p

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	(unaudited) 26 weeks to 30 June 2002 £000	*Restated (unaudited) 26 weeks ended 1 July 2001 £000*	*Year ended 30 December 2001 £000*
Profit attributable to the financial period	783	542	1,336
Prior period adjustment in relation to full provision for deferred tax	-	(466)	(466)
Total gains and losses recognised since the last annual report	783	76	870

GROUP BALANCE SHEET

	Notes	(Unaudited) 30 June 2002 £000	Restated (Unaudited) 1 July 2001 £000	30 December 2001 £000
FIXED ASSETS				
Intangible assets		2,922	1,932	2,484
Tangible assets		13,755	12,211	12,181
Investment in joint venture		296	271	277
		16,973	14,414	14,942
CURRENT ASSETS				
Stocks		1,213	1,180	1,260
Debtors	4	10,091	8,401	8,421
Cash at bank and in hand		2,409	3,277	3,231
		13,713	12,858	12,912
CREDITORS: amounts falling due within one year	5	(12,226)	(9,928)	(10,203)
NET CURRENT ASSETS		1,487	2,930	2,709
TOTAL ASSETS LESS CURRENT LIABILITIES		18,460	17,344	17,651
CREDITORS: amounts falling due after more than one year	6	(7,468)	(8,218)	(7,632)
PROVISION FOR LIABILITIES AND CHARGES – DEFERRED TAXATION		(509)	(466)	(421)
		10,483	8,660	9,598
CAPITAL AND RESERVES				
Called up share capital		2,531	2,502	2,518
Share premium account		2,281	2,064	2,192
Profit and loss account		5,671	4,094	4,888
Equity shareholders' funds		10,483	8,660	9,598

GROUP STATEMENT OF CASH FLOWS

	Notes	(Unaudited) 26 weeks to 30 June 2002 £000	Restated (Unaudited) 26 weeks to 1 July 2001 £000	30 December 2001 £000
NET CASH INFLOW FROM OPERATING ACTIVITIES	7	1,611	2,172	4,475
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received		22	51	78
Interest paid		(173)	(214)	(304)
Interest element of finance lease rental payments		(5)	(5)	(11)
		(156)	(168)	(237)
TAXATION				
Corporation tax paid		(399)	(30)	(617)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT				
Payments to acquire intangible fixed assets		(523)	(8)	(68)
Payments to acquire tangible fixed assets		(2,133)	(1,187)	(2,560)
Receipts from sales of tangible and intangible fixed assets		4	138	5
Receipts for repayment of joint venture loan		12	–	36
Receipts to acquire finance lease assets and advance of franchise loans		(768)	(312)	(1,007)
Receipts from repayment of finance lease and franchise loans		391	–	445
		(3,017)	(1,369)	(3,149)
ACQUISITIONS AND DISPOSALS				
Purchase of subsidiary undertaking and unassociated business		-	_	(160)
		-	–	–
		-	_	(160)
EQUITY DIVIDEND PAID		(390)	(215)	(501)
NET CASH OUTFLOW BEFORE FINANCING		2,351	390	(189)
FINANCING				
Issue of shares		102	19	164
New long-term loans		2,036	2,081	2,660
Repayments of long-term loans		(567)	(171)	(330)
Repayment of capital element of finance leases and hire purchase contracts		(42)	(41)	(72)
		1,529	1,888	2,422
(DECREASE)/INCREASE IN CASH		(822)	2,278	2,233

NOTES TO THE INTERIM REPORT

1. BASIS OF PREPARATION OF INTERIM FINANCIAL INFORMATION

The interim financial information has been prepared on the basis of the accounting policies set out in the group's statutory accounts for the fifty-two weeks ended 30 December 2001. The taxation charge is calculated by applying the directors' best estimate of the annual tax rate to the profit for the period. All other accounting polices set out in the accounts for the fifty-two weeks ended 30 December 2001 were applied for the purposes of this statement.

Basis of consolidation

The group accounts consolidate the accounts of Domino's Pizza UK & IRL plc and all its subsidiary undertakings drawn up to the nearest Sunday of the month end.

2. TAXATION

The taxation charge is made up as follows:

	(Unaudited) 30 June 2002 £000	*Restated (Unaudited) 1 July 2001 £000*	*30 December 2001 £000*
UK corporation tax:			
Profit for the period	445	325	788
Share of joint venture tax	8	–	16
Adjustment in respect of the previous period	-	(100)	(185)
Total current tax	453	225	619
UK deferred tax			
Origination and the reverse of timing differences in respect of:			
Profit in the period	88	129	239
Total deferred tax	88	129	239
Tax on profit on ordinary activities	541	354	858

The Group adopted FRS19 – Accounting for Deferred Tax during 2001. FRS19 required deferred tax to be recognised on a full provision basis on all timing differences that have originated but not reversed at the balance sheet date. The timing differences are the accumulated difference between the profit for tax purposes and the financial profit, which arise principally from the difference between accelerated capital allowances and depreciation. Deferred tax balances have not been discounted.

The effect of the change in accounting policy is to increase the tax charge for the period 1 July 2001 by £29,000. In addition, the adoption of this change in policy is to reduce shareholders' funds for the period to 1 July 2001 by £466,000.

3. EARNINGS PER SHARE

The calculation of basic earnings per ordinary share is based on earnings of £1,202,000 (2001: £856,000) and on 50,423,812 (2001: 50,005,710) ordinary shares.

The diluted earnings per share is based on 53,446,146 (2001: 50,621,465) ordinary shares which takes into account theoretical ordinary shares that would have been issued, based on average market value if all outstanding options were exercised.

4. DEBTORS

	(Unaudtied) 30 June 2002 £000	*(Unaudited) 1 July 2001 £000*	*30 December 2001 £000*
Trade debtors	2,335	2,554	2,392
Amounts owed by joint venture	297	345	309
Other debtors	3,820	3,055	2,608
Prepayments and accrued income	1,581	1,357	1,511
Net investment in finance lease	2,058	1,090	1,601
	10,091	8,401	8,421

Included within debtors is £1,976,000 (2001: £1,395,000) due after more than one year.

5. **CREDITORS:** amounts falling due within one year

	(Unaudited) 30 June 2002 £000	*(Unaudited) 1 July 2001 £000*	*30 December 2001 £000*
Other loans	2,891	252	1,279
Finance lease creditors	60	62	81
Trade creditors	3,991	4,536	4,006
Corporation tax	320	611	274
Other taxes and social security costs	666	955	906
Other creditors	866	390	512
Accruals and deferred income	3,045	2,837	2,762
Proposed dividend	387	285	383
	12,226	9,928	10,203

6. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	(Unaudited) *30 June 2002* *£000*	*(Unaudited)* *1 July 2001* *£000*	*30 December 2001* *£000*
Bank loans	6,225	7,500	6,525
Finance lease creditors	39	39	60
Other loans	1,204	679	1,047
	7,468	8,218	7,632

7. NOTES TO THE STATEMENT OF CASHFLOWS

Reconciliation of operating profit to net cash flows from operating activities

	(Unaudited) *30 June 2002* *£000*	*Restated* (Unaudited) *1 July 2001* *£000*	*30 December 2001* *£000*
Operating profit	1,877	1,328	3,144
Depreciation Charge	555	432	1,044
Amortisation Charge	85	69	146
Other operating income/(expenditure)	(4)	-	168
Decrease/(Increase) in debtors	(1,304)	(1,020)	(66)
Decrease/(Increase) in stocks	48	14	(690)
Increase in creditors	354	1,349	729
	1,611	2,172	4,475

8. PUBLICATION OF NON-STATUTORY ACCOUNTS

The financial information contained in this statement does not constitute statutory accounts as defined in Section 240 of the Companies Act 1985. The financial information for the full preceding year is based on the statutory accounts for the fifty- two weeks ended 30 December 2001. Those accounts, upon which the auditors issued an unqualified opinion, have been delivered to the Registrar of Companies.

9. This report is being sent to all registered shareholders. Copies can also be obtained from the Registered Office at Domino's House, Lasborough Road, Kingston, Milton Keynes MK10 OAB.

INTRODUCTION
We have been instructed by the company to review the financial information set out on pages 8 to 14 and we have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies.

DIRECTORS' RESPONSIBILITIES
The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The Listing Rules of the Financial Services Authority require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

REVIEW WORK PERFORMED
We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

REVIEW CONCLUSION
On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 June 2002.

Ernst & Young LLP
Luton