



08 January 2014

**DOMINO'S PIZZA GROUP plc**  
*Quarter Four Trading Update*  
*13 weeks to 29 December 2013*

Domino's Pizza Group plc ("Domino's", the "Company" or the "Group"), the leading pizza delivery company with stores in the UK, Republic of Ireland, Germany and Switzerland, today announces its trading update for the 13 week period to 29 December 2013 (the "period") and for the 52 weeks ended 29 December 2013 ("the year").

**United Kingdom**

Domino's is pleased to announce that trading has been particularly strong in the period buoyed by exceptional like-for-like sales growth. System sales for the period were up 15.6% to £170.4m (2012\*: £147.4m). Like-for-like sales in the period in 670 UK mature stores were up by 10.9% (2012\*: 4.5% in 613 mature stores) partly driven by increased digital marketing activity and more favourable timing of the Christmas break compared to last year.

System sales for the 52 weeks ended 29 December 2013 increased by 12.2% to £608.8m (2012\*: £542.8m). Like-for-like sales for the year, in UK stores, grew by 7.0% (2012\*: 5.2%).

Online sales continue to grow and accounted for 65.5% of UK delivered sales (2012\*: 60.8%) in the period. Total online sales for the period rose by 15.7% to £94.4m (2012\*: £81.6m) and online sales for the year were £325.9m (2012\*: £256.0m). Mobile sales were up by 91% in the period (2012\*: 187%) and accounted for 30.9% of total online sales in the year (2012\*: 19.7%).

During the period, Domino's opened 27 new stores in the UK (2012\*: 25) with 50 new stores (42 traditional delivery stores, six kiosk stores in Extra motorway service stations, one kiosk in Newcastle University and one mobile unit) opened this year (2012\*: 57). At the period

end, Domino's had a total of 777 stores in the UK (2012\*: 727). During the year no stores closed (2012\*: 2).

## **International**

System sales in the Republic of Ireland were up 7.6% to €13.5m in the period (2012\*: €12.5m) and were up 6.0% for the year to €49.6m (2012\*: €46.8m). Like-for-like sales in the period were up by 7.6% (2012\*: -4.2%) with "late-night" being a key driver of this growth. Like-for-like sales for the year grew by 6.0% (2012\*: -0.3%). During the year no stores opened and none closed (2012\*: 0 openings and 0 closures) with the number of stores therefore remaining at 48.

The German market generated system sales in the period of €2.9m (2012\*: €1.4m) and like-for-like sales growth of 4.6% (2012\*: 21.7%). For the year, system sales were up 184.2% to €10.4m (2012\*: €3.6m) and like-for-like sales were up 14.7% (2012\*: 19.3%). The franchisee stores continue to make good sales progress and at higher sales levels than the corporate stores. A new average weekly unit sales (AWUS) record was achieved by one of our franchisees with an AWUS of €46k which demonstrates the potential in this market when the marketing, product and service are all superbly executed.

Seven stores opened during the year – all in the first half. No new stores were opened in Germany during the period as a result of the decision taken to transition the majority of the corporate stores across to franchisee management. On this front, we are pleased to announce that we have made significant progress and, at the year end, agreement has been reached with franchisees to transfer 13 of the 15 corporate stores to franchisees and we have closed one. Five of these stores transferred on 29 December, two stores closed with one of these closures to be relocated by a franchisee, one store transferred on 1 January 2014 and we have preliminary agreement for the remaining six to transfer to a franchisee during H1 2014. Our flagship store in Dusseldorf will be retained as a corporate store and will be operated as a training facility for the wider franchise system. As at 29 December 2013 Germany had 23 stores.

Progress in Switzerland continues steadily with system sales in the period of CHF 3.5m (2012\*: CHF 3.8m) and like-for-like sales rising by 5.4% for the year. Two stores have been

closed during the year for refurbishment or relocation. At the year end there were 10 stores (2012: 12) in this market.

Lance Batchelor, Chief Executive, commented:

“I am pleased to report an outstanding last quarter of like-for-like sales growth in our core UK market and robust like-for-like sales growth in the Republic of Ireland stores, where positive like-for-like sales were recorded in every quarter this year after four years of decline. I am also pleased to report that we have reached agreement to transfer corporate stores in Germany into franchisee hands and are encouraged to see that we have several German based franchisees that will join our system in this year.

“The Company will deliver full year 2013 profits ahead of market expectations for the UK and Ireland, but losses in Germany will be higher than expected primarily due to the later than expected transition of the corporate stores into franchisee hands.

Consequently, full year results for the Group are expected to be in line with market consensus.

We will update the market further on 26 February 2014 with the publication of the Company’s preliminary results”

Stephen Hemsley, Non-Executive Chairman, commented:

“Following Lance Batchelor’s recent resignation, an executive search firm has been appointed and the CEO recruitment process is now underway. We are confident of attracting a CEO of the highest calibre”.

Notes:

\* The financial year 2012 included 14 weeks in quarter four and 53 weeks in total. To provide meaningful comparison, the numbers stated for 2012 have been adjusted to a 13 week period for quarter four and 52 weeks for the year by excluding the first trading week of quarter four 2012 and the first trading week of the 2012 financial year.

The table below highlights the 2013 trading period compared to the reported 14 week quarter four and 53 week full year period in 2012:

		Quarter Four			Full Year		
		2013 13 weeks	2012 14 weeks	% Growth	2013 52 weeks	2012 53 weeks	% Growth
UK	System sales	£170.4m	£159.3m	7.0%	£608.8m	£553.6m	10.0%
	Like-for-likes	10.9%	5.0%	-	7.0%	5.0%	-
ROI	System sales	€13.5m	€13.5m	0.0%	€49.6m	€48.1m	3.2%
	Like-for-likes	7.6%	-3.8%	-	6.0%	-0.2%	-
Germany	System sales	€2.9m	€1.4m	106.4%	€10.4m	€3.6m	186.8%
	Like-for-likes	4.6%	21.7%	-	14.7%	19.3%	-
Switzerland	System sales	CHF 3.5m	CHF 4.1m	-14.7%	CHF 13.3m	CHF 14.3m	-7.0%
	Like-for-likes	1.9%	-	-	5.4	-	-

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**Notes to Editors:**

Domino's Pizza Group plc is the leading player in the fast-growing pizza delivery market and holds the exclusive master franchise to own, operate and franchise Domino's Pizza stores in the UK, Republic of Ireland, Germany, Switzerland, Liechtenstein and Luxembourg. The first UK store opened in Luton in 1985 and the first Irish store opened in 1991. In April 2011, the Group acquired a majority stake in the exclusive master franchise to own, operate and franchise Domino's Pizza stores in Germany. In September 2012, the Group acquired the master franchise for Switzerland, Luxembourg and Liechtenstein and an option to open stores in Austria prior to the end of 2014.

As at 29<sup>th</sup> December 2013, there were 858 stores in the UK, Republic of Ireland, Germany and Switzerland. Of these, 663 stores were in England, 56 were in Scotland, 33 were in Wales, 21 were in Northern Ireland, one was on the Isle of Man, three were mobile units, 48 were in the Republic of Ireland, 23 were in Germany and 10 were in Switzerland.

Founded in 1960, Domino's Pizza is one of the world's leading pizza delivery brands. Through its primarily franchised system, Domino's Pizza operates a global network of more than 10,000 Domino's Pizza stores in 73 international markets. Domino's Pizza has a singular focus – the home delivery of pizza, freshly made to order with high quality ingredients.

Customers in the UK can order online at [www.dominos.co.uk](http://www.dominos.co.uk), in the Republic of Ireland at [www.dominos.ie](http://www.dominos.ie), in Germany at [www.dominos.de](http://www.dominos.de) and in Switzerland at [www.dominos.ch](http://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 [www.dominos.uk.com](http://www.dominos.uk.com), contact the Domino's Press Office on +44 (0)1908 580654, or call MHP on +44 (0)20 3128 8100.**