



Domino's Pizza 2003 Earnings Release

March 23, 2004

ANN ARBOR, Mich. – March 23, 2004 – Domino's, Inc., the recognized world leader in pizza delivery, today announced results for the fourth quarter and fiscal 2003, which ended December 28, 2003. In addition to record income from operations and strong system-wide sales growth, up 5.8%, Domino's full year domestic same store sales increased 1.3%, leading all reporting national pizza chains for the third consecutive year. International same store sales also grew for the 40th consecutive quarter.

The Company plans to file its annual report on Form 10-K later today. Additionally, Domino's, Inc. will hold a conference call today at 4 p.m. EST to review its 2003 financial results. The call can be accessed by dialing (888) 306-6182 (U.S./Canada) or (706) 634-4947 (International). Ask for the Domino's, Inc. conference call. A replay of the call will be available through April 6, 2004 by dialing (800) 642-1687 (U.S./Canada) or (706) 645-9291 (International) using Conference ID 6139936.

2003 Highlights

(versus full year 2002)

- Income from operations increased 0.7% to a record \$159.2 million, despite incurring \$16.8 million of recapitalization-related general and administrative expenses.
- Net income decreased 36.0% to \$38.8 million, which includes after-tax charges of \$33.0 million incurred in connection with the Company's successful recapitalization in June 2003.
- System-wide sales increased 5.8%; retail sales at our Company-owned stores totaled \$0.4 billion, while retail sales at our franchise stores totaled \$3.8 billion.
- Domestic same store sales increased 1.3%, comprised of a franchise same store sales increase of 1.7% and a Company-owned same store sales decrease of 1.7%.
- International same store sales increased 4.0%, on a constant dollar basis.

As of the end of fiscal 2003, there were 7,427 Domino's Pizza stores in operation worldwide, a net increase of 197 stores since the end of fiscal 2002.

Fourth Quarter 2003 Highlights

(versus fourth quarter 2002)

- Income from operations increased 3.0% to a fourth quarter record \$54.9 million.
- Net income decreased 8.1% to \$21.3 million.
- System-wide sales increased 9.6%; retail sales at our Company-owned stores totaled \$0.1 billion, while retail sales at our franchise stores totaled \$1.2 billion.
- Domestic same store sales increased 5.1%, comprised of a franchise same store sales increase of 5.3% and a Company-owned same store sales increase of 3.2%.
- International same store sales increased 3.6%, on a constant dollar basis, marking 40 consecutive quarters of international same store sales growth.

David A. Brandon, Domino's Chairman and Chief Executive Officer, said: "Domino's Pizza achieved many milestones in 2003. Our international division marked their tenth straight year of consecutive same store sales increases. System-wide sales increased a healthy 5.8% over last year, and we introduced some great new products. We produced these results despite a very tough environment in the domestic quick-serve restaurant industry, which is a tribute to the talent, hard work and effectiveness of our franchisees and team members. We also completed a highly-successful recapitalization which lowered our effective borrowing rate and provided our investors a return on their investment and a cash dividend."

[2003 Release PDF](#)