**U.S.**
- 5,849 franchise stores
- 346 company-owned stores
- 5.5% standard domestic royalty rate
- Average cost to open a new store $300-350K
- 37 consecutive quarters of positive same store sales
- U.S. average self-reported annual EBITDA per franchise store in 2019 was $143k
- Estimated enterprise annual EBITDA per franchisee in 2019 was over $1M

**International**
- 10,978 franchise stores
- No company-owned stores
- ~3.0% average international royalty rate
- 106 consecutive quarters of positive same store sales

**Supply Chain & Fresh Dough Production**
- Sells and delivers food, equipment and supplies to U.S. and Canadian stores
- 19 supply chain centers, as well as 1 thin crust, 1 vegetable processing and 1 equipment & supply facility within the contiguous U.S.
- 7 supply chain facilities outside the contiguous U.S. (Canada, Alaska and Hawaii)
- Franchise profit-sharing agreement
- Pass-through pricing to stores on most items – reduces volatility

**Adjusted EPS Growth**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<td>2.09</td>
<td>2.12</td>
<td>2.99</td>
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</table>

**Capital Structure**
- Franchise model works well with leverage ($4.1 billion total debt)
- Completed latest recapitalization transaction in November 2019
  - New debt included $675 million at a rate of 3.67%
  - Existing 2018 debt of $825 million and 2017 debt of $1.6 billion, both in fixed rate notes + $300 million in variable rate notes
  - Existing 2015 debt of $800 million
  - Blended rate of total outstanding notes is ~3.9% (as of Q2 2020)
  - Debt-to-EBITDA ratio at ~6.0x upon 2019 recapitalization completion (3-6x is stated range)
  - Next par call date is October 2022
  ($420 million 2018 notes, $774 million 2015 notes – both due 2025)

**Use of Cash**
- Buy Back Shares
  - $593.9 million in 2019 ($79.6 million YTD 2020 as of Q2)
  - $591 million (2018)…$1.06 billion (2017)…$300 million (2016)
- Pay Dividends
  - Special dividends in 2007 and 2012

**Relative Magnitude of Six Largest Commodity Costs**