



**Domino's Pizza, Inc.**

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**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements**

**Domino's Pizza, Inc. and Subsidiaries**  
**Condensed Consolidated Balance Sheets**  
**(Unaudited)**

(In thousands)	March 22, 2009	December 28, 2008 (Note)
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 67,851	\$ 45,372
Restricted cash and cash equivalents	65,860	78,871
Accounts receivable	66,461	69,390
Inventories	28,937	24,342
Notes receivable	615	630
Prepaid expenses and other	5,742	6,236
Advertising fund assets, restricted	32,468	20,377
Deferred income taxes	9,219	9,033
<b>Total current assets</b>	<b>277,153</b>	<b>254,251</b>
<b>Property, plant and equipment:</b>		
Land and buildings	22,063	22,063
Leasehold and other improvements	83,483	83,362
Equipment	168,853	167,470
Construction in progress	2,115	1,881
	276,514	274,776
Accumulated depreciation and amortization	(170,913)	(166,346)
<b>Property, plant and equipment, net</b>	<b>105,601</b>	<b>108,430</b>
<b>Other assets:</b>		
Deferred financing costs	22,192	24,457
Goodwill	17,675	17,675
Capitalized software, net	3,481	3,672
Other assets	12,187	12,260
Deferred income taxes	35,140	43,049
<b>Total other assets</b>	<b>90,675</b>	<b>101,113</b>
<b>Total assets</b>	<b>\$ 473,429</b>	<b>\$ 463,794</b>
<b>Liabilities and stockholders' deficit</b>		
<b>Current liabilities:</b>		
Current portion of long-term debt	\$ 25,347	\$ 340
Accounts payable	46,580	56,906
Accrued income taxes	972	1,167
Insurance reserves	10,044	10,056
Advertising fund liabilities	32,468	20,377
Other accrued liabilities	62,183	60,708
<b>Total current liabilities</b>	<b>177,594</b>	<b>149,554</b>
<b>Long-term liabilities:</b>		
Long-term debt, less current portion	1,657,450	1,704,444
Insurance reserves	20,290	20,369
Other accrued liabilities	14,799	14,050
<b>Total long-term liabilities</b>	<b>1,692,539</b>	<b>1,738,863</b>
<b>Stockholders' deficit:</b>		
Common stock	573	570
Additional paid-in capital	5,742	1,853
Retained deficit	(1,397,935)	(1,421,705)
Accumulated other comprehensive loss	(5,084)	(5,341)
<b>Total stockholders' deficit</b>	<b>(1,396,704)</b>	<b>(1,424,623)</b>
<b>Total liabilities and stockholders' deficit</b>	<b>\$ 473,429</b>	<b>\$ 463,794</b>

Note: The balance sheet at December 28, 2008 has been derived from the audited consolidated financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements.

See accompanying notes.

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**Domino's Pizza, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Income**  
**(Unaudited)**

	Fiscal Quarter Ended	
	March 22, 2009	March 23, 2008
<b>(In thousands, except per share data)</b>		
<b>Revenues:</b>		
Domestic Company-owned stores	\$ 80,996	\$ 93,047
Domestic franchise	36,883	36,386
Domestic supply chain	173,502	176,189
International	30,447	33,390
Total revenues	<u>321,828</u>	<u>339,012</u>
<b>Cost of sales:</b>		
Domestic Company-owned stores	64,712	75,511
Domestic supply chain	154,982	160,626
International	13,317	14,840
Total cost of sales	<u>233,011</u>	<u>250,977</u>
Operating margin	88,817	88,035
General and administrative	43,899	38,685
Income from operations	44,918	49,350
Interest income	467	890
Interest expense	(26,968)	(26,708)
Other	21,174	—
Income before provision for income taxes	39,591	23,532
Provision for income taxes	15,821	9,413
Net income	<u>\$ 23,770</u>	<u>\$ 14,119</u>
<b>Earnings per share:</b>		
Common stock – basic	\$ 0.42	\$ 0.24
Common stock – diluted	0.41	0.23

See accompanying notes.

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**Domino's Pizza, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Cash Flows**  
**(Unaudited)**

(In thousands)	Fiscal Quarter Ended	
	March 22, 2009	March 23, 2008
<b>Cash flows from operating activities:</b>		
Net income	\$ 23,770	\$ 14,119
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	5,787	7,071
Gains on debt extinguishment	(21,174)	—
(Gains) losses on sale/disposal of assets	81	(4,169)
Amortization of deferred financing costs, debt discount and other	2,784	2,255
Provision for deferred income taxes	7,568	1,777
Non-cash compensation expense	2,645	2,065
Other	390	199
Changes in operating assets and liabilities	(9,580)	(3,045)
Net cash provided by operating activities	<u>12,271</u>	<u>20,272</u>
<b>Cash flows from investing activities:</b>		
Capital expenditures	(3,278)	(3,479)
Proceeds from sale of assets	271	8,220
Changes in restricted cash	13,011	(1,803)
Other	(199)	520
Net cash provided by investing activities	<u>9,805</u>	<u>3,458</u>
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of common stock	1,047	1,205
Purchase of common stock	—	(18,427)
Proceeds from issuance of long-term debt	24,348	3,000
Repayments of long-term debt and capital lease obligation	(25,164)	(18,075)
Proceeds from exercise of stock options	76	413
Tax benefit from stock options	169	97
Net cash provided by (used in) financing activities	<u>476</u>	<u>(31,787)</u>
Effect of exchange rate changes on cash and cash equivalents	(73)	38
Change in cash and cash equivalents	22,479	(8,019)
Cash and cash equivalents, at beginning of period	45,372	11,344
Cash and cash equivalents, at end of period	<u>\$ 67,851</u>	<u>\$ 3,325</u>

See accompanying notes.

[Table of Contents](#)**Domino's Pizza, Inc. and Subsidiaries****Notes to Condensed Consolidated Financial Statements****(Unaudited; tabular amounts in thousands, except percentages, share and per share amounts)****March 22, 2009**

## 1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. For further information, refer to the consolidated financial statements and footnotes for the fiscal year ended December 28, 2008 included in our annual report on Form 10-K.

In the opinion of management, all adjustments, consisting of normal recurring items, considered necessary for a fair presentation have been included. Operating results for the fiscal quarter ended March 22, 2009 are not necessarily indicative of the results that may be expected for the fiscal year ending January 3, 2010.

## 2. Comprehensive Income

	<u>Fiscal Quarter Ended</u>	
	<u>March 22, 2009</u>	<u>March 23, 2008</u>
Net income	\$ 23,770	\$ 14,119
Reclassification adjustment for losses included in net income, net of tax	320	303
Currency translation adjustment, net of tax	(63)	(188)
Comprehensive income	<u>\$ 24,027</u>	<u>\$ 14,234</u>

## 3. Segment Information

The following table summarizes revenues, income from operations and earnings before interest, taxes, depreciation, amortization and other, which is the measure by which management allocates resources to its segments and which we refer to as Segment Income, for each of our reportable segments.

	<u>Fiscal Quarters Ended March 22, 2009 and March 23, 2008</u>					
	<u>Domestic Stores</u>	<u>Domestic Supply Chain</u>	<u>International</u>	<u>Intersegment Revenues</u>	<u>Other</u>	<u>Total</u>
Revenues –						
2009	\$ 117,879	\$ 193,885	\$ 30,447	\$ (20,383)	\$ —	\$ 321,828
2008	129,433	200,651	33,390	(24,462)	—	339,012
Income from operations –						
2009	\$ 30,384	\$ 12,828	\$ 13,178	N/A	\$ (11,472)	\$ 44,918
2008	34,643	10,246	15,331	N/A	(10,870)	49,350
Segment Income –						
2009	\$ 32,820	\$ 14,553	\$ 13,267	N/A	\$ (7,209)	\$ 53,431
2008	32,874	12,072	15,448	N/A	(4,632)	55,762

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The following table reconciles Total Segment Income to consolidated income before provision for income taxes.

	Fiscal Quarter Ended	
	March 22, 2009	March 23, 2008
Total Segment Income	\$ 53,431	\$ 55,762
Depreciation and amortization	(5,787)	(7,071)
Gains (losses) on sale/disposal of assets	(81)	4,169
Non-cash compensation expense	(2,645)	(2,065)
Separation and related expenses	—	(1,445)
Income from operations	44,918	49,350
Interest income	467	890
Interest expense	(26,968)	(26,708)
Other	21,174	—
Income before provision for income taxes	<u>\$ 39,591</u>	<u>\$ 23,532</u>

#### 4. Earnings Per Share

	Fiscal Quarter Ended	
	March 22, 2009	March 23, 2008
Net income available to common stockholders – basic and diluted	<u>\$ 23,770</u>	<u>\$ 14,119</u>
Basic weighted average number of shares	57,027,733	59,403,681
Earnings per share – basic	\$ 0.42	\$ 0.24
Diluted weighted average number of shares	57,351,475	60,085,730
Earnings per share – diluted	\$ 0.41	\$ 0.23

The denominator in calculating diluted earnings per share for common stock for the first quarter of 2009 and the first quarter of 2008 does not include 9,221,654 and 6,180,000 options to purchase common stock, respectively, as the effect of including these options would have been anti-dilutive.

In June 2008, the Financial Accounting Standards Board (FASB) issued FASB Staff Position (FSP) Emerging Issues Task Force (EITF) 03-6-1, *Determining Whether Instruments Granted in Share-Based Payment Transactions are Participating Securities*. Under FSP EITF 03-6-1, unvested share-based payment awards that contain nonforfeitable rights to dividends or dividend equivalents, whether paid or unpaid, are considered participating securities and should be included in the computation of both basic and diluted earnings per share using the two-class method. FSP EITF 03-6-1 is effective for the Company in the current fiscal year beginning December 29, 2008. The Company evaluated the impact of FSP EITF 03-6-1 and determined that the impact was not material and determined the basic and diluted earnings per share amounts as reported are equivalent to the basic and diluted earnings per share amounts calculated under FSP EITF 03-6-1.

#### 5. Debt Repurchases

During the first quarter of 2009, the Company repurchased and retired approximately \$43.3 million of principal of its outstanding 5.261% Fixed Rate Series 2007-1 Senior Notes, Class A-2 (Class A-2 Notes) for a total purchase price of approximately \$22.3 million, resulting in a pre-tax gain of approximately \$21.2 million. This pre-tax gain was recorded in Other in the Company's consolidated income statement. In connection with the aforementioned transaction, the Company wrote-off approximately \$0.6 million of pre-tax deferred financing fees during the first quarter of 2009, which was recorded in interest expense in the Company's consolidated income statement.

Subsequent to the first quarter of 2009, the Company repurchased and retired \$25.0 million of additional principal of its outstanding Class A-2 Notes for a total purchase price of approximately \$12.3 million, resulting in a pre-tax gain of approximately \$12.9 million. The pre-tax gain will be recorded in the second quarter of 2009 as Other in the Company's consolidated income statement. The Company has classified the \$25.0 million of outstanding Class A-2 Notes as a current liability in the consolidated balance sheet as of March 22, 2009.

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### 6. Fair Value Measurements

The Company applies the provisions of Statement of Financial Accounting Standards (SFAS) No. 157, *Fair Value Measurements* (SFAS 157). SFAS 157 defines fair value and provides guidance for measuring fair value and expands disclosures about fair value measurements. SFAS 157 does not require any new fair value measurements, but rather applies to all other accounting pronouncements that require or permit fair value measurements.

In February 2008, the FASB issued a final Staff Position to allow a one-year deferral of adoption of SFAS 157 for nonfinancial assets and nonfinancial liabilities that are recognized or disclosed at fair value in the financial statements on a nonrecurring basis. The Company elected this one-year deferral and began applying the provisions of SFAS 157 to nonfinancial assets and nonfinancial liabilities that are recognized at fair value in the financial statements on a nonrecurring basis in the current fiscal year beginning December 29, 2008. The Company had no nonrecurring measurements recognized at fair value during the fiscal quarter ended March 22, 2009. We generally apply fair value techniques on a nonrecurring basis associated with (1) valuing potential impairment loss related to goodwill and indefinite-lived intangible assets accounted for pursuant to SFAS No. 142, and (2) valuing potential impairment loss related to long-lived assets accounted for pursuant to SFAS No. 144. The FASB also amended SFAS 157 to exclude FASB Statement No. 13 and its related interpretive accounting pronouncements that address leasing transactions.

SFAS 157 enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. SFAS 157 requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

The fair values of the Company's restricted cash equivalents and investments in marketable securities are based on quoted prices in active markets for identical assets. The following table summarizes the carrying amounts and fair values of certain assets at March 22, 2009:

	At March 22, 2009			
	Carrying Amount	Fair Value Estimated Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Restricted cash equivalents	\$64,185	\$64,185	\$ —	\$ —
Cash equivalents	65,027	65,027	—	—
Investments in marketable securities	1,041	1,041	—	—

At March 22, 2009, management estimates that the nearly \$1.6 billion of outstanding Class A-2 Notes had a fair value of approximately \$769.0 million and the \$100.0 million of outstanding fixed rate subordinated notes had a fair value of approximately \$31.0 million. We believe that these decreases in fair value from their carrying amounts are primarily due to current economic conditions and the current state of the credit markets for similar debt instruments. The Company determined the estimated fair value amounts by using recent trade activity, available market information and commonly accepted valuation methodologies. However, considerable judgment is required in interpreting market data to develop estimates of fair value. Accordingly, the fair value estimates presented herein are not necessarily indicative of the amount that the Company or the debtholders could realize in a current market exchange. The use of different assumptions and/or estimation methodologies may have a material effect on the estimated fair value.

7. Subsequent Events

In March 2009 the Board of Directors authorized, subject to shareholder approval, a stock option exchange program that will allow eligible employees the opportunity to exchange certain options granted under the Domino's Pizza, Inc. 2004 Equity Incentive Plan (the 2004 Plan) for a lesser number of replacement options with lower exercise prices. The Company's shareholders approved the stock option exchange program at the 2009 Annual Meeting of Shareholders, which was held on April 28, 2009, and the Company plans to implement the program as soon as practicable. The material terms of the stock option exchange program are summarized in the Company's definitive proxy statement previously filed with the Securities and Exchange Commission (SEC) on March 23, 2009, the definitive additional materials previously filed with the SEC on April 13, 2009 and the Schedule TO filed with the SEC on April 10, 2009, as amended. The Company will account for this modification beginning in the second quarter of 2009. Management has not determined the final impact, but currently estimates that the incremental compensation to be recognized over the remaining service period will be approximately \$1.3 million (after tax).

Separately and as previously announced, during the first quarter the Board of Directors authorized management to amend existing stock option agreements currently issued under the 2004 Plan, and all future stock option agreements issued under the 2004 Plan. The amendment allows for accelerated vesting and extended exercise periods upon the retirement of option holders who have achieved specified service and age requirements. The amended terms of the relevant stock option agreements will be effective in the second quarter of 2009. The Company does not anticipate the incremental compensation expense resulting from this amendment to be material. Additionally, the Company will be required to accelerate existing planned compensation expense that it would have been required to expense in future periods for these stock options. Management has not determined the final impact, but currently estimates that this will result in the acceleration of compensation expense in the second quarter of 2009 of up to \$3 million (after tax) for employees who accept the amendment and who meet, or will soon meet, the specified service and age requirements. This is not incremental expense, merely an acceleration of expense that would have been recognized in future periods.

8. New Accounting Pronouncements

In March 2008, the FASB issued SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133* (SFAS 161). SFAS 161 requires entities that use derivative instruments to provide qualitative disclosures about their objectives and strategies for using such instruments, as well as any details of credit-risk-related contingent features contained within derivatives. SFAS 161 also requires entities to disclose additional information about the amounts and location of derivatives located within the financial statements, how the provisions of SFAS 133 have been applied, and the impact that hedges have on an entity's financial position, financial performance, and cash flows. The Company does not currently hold derivative instruments and was not impacted by the adoption of SFAS 161.

In April 2009, the FASB issued FSP FAS 157-4, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly* (FSP 157-4), and FSP FASB 107-1 and Accounting Principles Board (APB) 28-1, *Interim Disclosures about Fair Value of Financial Instruments* (FSP 107-1). These two staff positions relate to fair value measurements and related disclosures. The FASB also issued a third FSP relating to the accounting for impaired debt securities titled FSP FAS 115-2 and FAS 124-2, *Recognition and Presentation of Other-Than-Temporary Impairments* (FSP 115-2). These standards are effective for interim and annual periods ending after June 15, 2009. The Company has determined that FSP 157-4 and FSP 115-2 do not currently apply to its activities and has elected to early adopt the disclosure requirements of FSP 107-1.

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**Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations (Unaudited; tabular amounts in millions, except percentages and store data)**

The 2009 and 2008 first quarters referenced herein represent the twelve-week periods ended March 22, 2009 and March 23, 2008, respectively.

**Overview**

We are the number one pizza delivery company in the United States and have a leading international presence. We operate through a network of Company-owned stores, all of which are in the United States, and franchise stores located in all 50 states and in more than 60 countries. In addition, we operate regional dough manufacturing and supply chain centers in the United States and Canada.

Our financial results are driven largely by retail sales at our Company-owned and franchise stores. Changes in retail sales are driven by changes in same store sales and store counts. We monitor both of these metrics very closely, as they directly impact our revenues and profits, and strive to consistently increase the related amounts. Retail sales drive Company-owned store revenues, royalty payments from franchisees and supply chain revenues. Retail sales are primarily impacted by the strength of the Domino’s Pizza® brand, the success of our marketing promotions and our ability to execute our store operating model and other business strategies.

	First Quarter of 2009		First Quarter of 2008	
<b>Global retail sales growth</b>	(4.6)%		5.6%	
<b>Same store sales growth:</b>				
Domestic Company-owned stores	(0.1)%		(2.4)%	
Domestic franchise stores	1.1%		(5.5)%	
Domestic stores	1.0%		(5.2)%	
International stores	6.6%		8.8%	
<b>Store counts (at end of period):</b>				
Domestic Company-owned stores	489		542	
Domestic franchise stores	4,498		4,586	
Domestic stores	4,987		5,128	
International stores	3,742		3,513	
Total stores	<u>8,729</u>		<u>8,641</u>	
<b>Income statement data:</b>				
Total revenues	\$321.8	100.0%	\$339.0	100.0%
Cost of sales	233.0	72.4%	251.0	74.0%
General and administrative	43.9	13.6%	38.7	11.4%
Income from operations	44.9	14.0%	49.4	14.6%
Interest expense, net	26.5	8.3%	25.8	7.6%
Other	21.2	6.6%	—	0.0%
Income before provision for income taxes	39.6	12.3%	23.5	6.9%
Provision for income taxes	15.8	4.9%	9.4	2.8%
Net income	<u>\$ 23.8</u>	<u>7.4%</u>	<u>\$ 14.1</u>	<u>4.2%</u>

During the first quarter of 2009, we continued our trend of positive international same store sales growth and achieved positive domestic same store sales for the first time in nearly two years. However, we experienced net negative domestic store growth as a result of continued economic challenges and our continued efforts on exiting underperforming franchisees from the system. We believe this will allow us to strengthen our overall system of stores; however this will continue to negatively impact our domestic store growth in 2009.

Global retail sales, comprised of retail sales results at both our franchise and Company-owned stores worldwide, declined 4.6% in the first quarter of 2009 driven primarily by the negative impact of foreign currency on our international sales. However, when excluding foreign currency conversion impacts, global retail sales grew during the first quarter of 2009, driven primarily by same store sales growth in our domestic franchise stores and international markets as well as an increase in our worldwide store counts during the trailing four quarters. Domestic same store sales growth reflected the success of several initiatives, including the launch of two new product platforms: Domino’s Oven Baked Sandwiches and Domino’s American Legends™. International same store sales growth reflects continued strong performance in the key markets where we compete.

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Revenues decreased \$17.2 million, or 5.1%, in the first quarter of 2009, driven by lower Company-owned store revenues resulting from the store divestitures in 2008, lower international revenues driven primarily by the negative foreign currency impacts, and to a lesser extent, lower domestic supply chain revenues, driven primarily by lower cheese prices.

Income from operations decreased \$4.5 million, or 9.0%, in the first quarter of 2009. This decrease was due primarily to the negative impact of foreign currency conversions in our international operations. Additionally, during the first quarter of 2008, the Company recorded a \$4.2 million gain on the sale of assets related to the sale of 29 Company-owned stores to franchisees. This gain was offset by approximately \$1.4 million of separation and other costs recorded related primarily to the Company's executed restructuring action. These decreases were offset in part by higher margins in our Company-owned store and domestic supply chain businesses in 2009, as well as an increase in domestic franchise same store sales.

Net income increased \$9.7 million, up 68.4% from the first quarter of 2008, due primarily to a \$21.2 million pre-tax gain recorded on the extinguishment of debt during the first quarter of 2009. The impact of the gain was partially offset by the aforementioned decrease in income from operations.

### **Revenues**

	First Quarter of 2009		First Quarter of 2008	
Domestic Company-owned stores	\$ 81.0	25.2%	\$ 93.0	27.4%
Domestic franchise	36.9	11.5%	36.4	10.7%
Domestic supply chain	173.5	53.9%	176.2	52.1%
International	30.4	9.4%	33.4	9.8%
Total revenues	<u>\$321.8</u>	<u>100.0%</u>	<u>\$339.0</u>	<u>100.0%</u>

Revenues primarily consist of retail sales from our Company-owned stores, royalties from our franchise stores, and sales of food, equipment and supplies by our supply chain centers to certain franchise stores. Company-owned store and franchise store revenues may vary significantly from period to period due to changes in store count mix while supply chain revenues may vary significantly as a result of fluctuations in commodity prices, primarily cheese and meats.

### **Domestic Stores Revenues**

	First Quarter of 2009		First Quarter of 2008	
Domestic Company-owned stores	\$ 81.0	68.7%	\$ 93.0	71.9%
Domestic franchise	36.9	31.3%	36.4	28.1%
Domestic stores	<u>\$117.9</u>	<u>100.0%</u>	<u>\$129.4</u>	<u>100.0%</u>

Domestic stores revenues decreased \$11.5 million, or 8.9%, in the first quarter of 2009, due primarily to the reduction of Company-owned store revenues resulting from the 2008 store divestitures. These decreases were offset in part by higher domestic franchise same store sales. These changes in domestic stores revenues are more fully described below.

### **Domestic Company-Owned Stores Revenues**

Revenues from domestic Company-owned store operations decreased \$12.0 million, or 13.0%, in the first quarter of 2009, due primarily to the store divestitures in 2008 and lower same store sales. Domestic Company-owned same store sales decreased 0.1% in the first quarter of 2009, compared to a decrease of 2.4% in the first quarter of 2008. There were 489 Company-owned stores in operation at the end of the first quarter of 2009, versus 542 at the end of the first quarter of 2008.

### **Domestic Franchise Revenues**

Revenues from domestic franchise operations increased \$0.5 million, or 1.4%, in the first quarter of 2009, due primarily to higher same store sales, offset in part by a decrease in the average number of domestic franchise stores open during 2009. Domestic franchise same store sales increased 1.1% in the first quarter of 2009, compared to a decrease of 5.5% in the first quarter of 2008. There were 4,498 domestic franchise stores in operation at the end of the first quarter of 2009, versus 4,586 at the end of the first quarter of 2008.

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### **Domestic Supply Chain Revenues**

Revenues from domestic supply chain operations decreased \$2.7 million, or 1.5%, in the first quarter of 2009, due primarily to a decrease in food prices, primarily cheese. The published cheese block price-per-pound averaged \$1.23 in the first quarter of 2009, down from \$1.93 in the comparable period in 2008. Had the 2009 average cheese prices been in effect during 2008, domestic supply chain revenues for the first quarter of 2008 would have been approximately \$12.4 million lower than the reported 2008 amounts.

### **International Revenues**

	First Quarter of 2009		First Quarter of 2008	
International royalty and other	\$15.8	52.0%	\$17.2	51.6%
International supply chain	14.6	48.0%	16.2	48.4%
International	<u>\$30.4</u>	<u>100.0%</u>	<u>\$33.4</u>	<u>100.0%</u>

Revenues from international operations decreased \$3.0 million, or 8.8%, in the first quarter of 2009, comprised of a \$1.4 million decrease in royalty and other revenues and a \$1.6 million decrease in supply chain revenues. The decrease in international royalty and other revenues was primarily due to a \$3.9 million negative impact of foreign currency conversions as a result of the strengthening of the U.S. dollar compared to the currencies in the international markets in which we compete, offset in part by higher same store sales and an increase in the average number of international stores open during 2009. The decrease in international supply chain revenues was also primarily due to the negative impact of foreign currency conversions. On a constant dollar basis, same store sales increased 6.6% in the first quarter of 2009, compared to an increase of 8.8% in the first quarter of 2008. On a historical dollar basis, same store sales decreased 15.1% in the first quarter of 2009, compared to an increase of 16.0% in the first quarter of 2008. The variance in our same store sales on a constant dollar basis versus a historical dollar basis further highlights the strengthening of the U.S. dollar. There were 3,742 international stores in operation at the end of the first quarter of 2009, compared to 3,513 at the end of the first quarter of 2008.

### **Cost of Sales / Operating Margin**

	First Quarter of 2009		First Quarter of 2008	
Consolidated revenues	\$321.8	100.0%	\$339.0	100.0%
Consolidated cost of sales	233.0	72.4%	251.0	74.0%
Consolidated operating margin	<u>\$ 88.8</u>	<u>27.6%</u>	<u>\$ 88.0</u>	<u>26.0%</u>

Consolidated cost of sales primarily consists of domestic Company-owned store and domestic supply chain costs incurred to generate related revenues. Components of consolidated cost of sales primarily include food, labor and occupancy costs.

The consolidated operating margin, which we define as revenues less cost of sales, increased \$0.8 million, or 0.9%, in the first quarter of 2009. This increase in the consolidated operating margin was due primarily to higher margins in our domestic supply chain and Company-owned store businesses and higher domestic franchise royalty revenues. Franchise revenues do not have a cost of sales component and, as a result, changes in franchise revenues have a disproportionate effect on the consolidated operating margin.

As a percentage of revenues, the consolidated operating margin increased 1.6 percentage points in the first quarter of 2009. This increase was due primarily to a market decrease in overall food prices, primarily cheese, which benefited our domestic Company-owned store and domestic supply chain margins as a percentage of revenues.

The consolidated operating margin as a percentage of revenues benefited from lower cheese costs. Cheese price changes are a "pass-through" in domestic supply chain revenues and cost of sales and, as such, have no impact on the related operating margin as measured in dollars. However, cheese price changes do impact operating margin when measured as a percentage of revenues. For example, if the 2009 average cheese prices had been in effect during 2008, this impact on supply chain margins would have caused the consolidated operating margin for the first quarter of 2008 to be approximately 27.0% of total revenues versus the reported 26.0%.

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### **Domestic Company-Owned Stores Operating Margin**

<u>Domestic Company-Owned Stores</u>	<u>First Quarter of 2009</u>		<u>First Quarter of 2008</u>	
Revenues	\$81.0	100.0%	\$93.0	100.0%
Cost of sales	64.7	79.9%	75.5	81.2%
Store operating margin	<u>\$16.3</u>	<u>20.1%</u>	<u>\$17.5</u>	<u>18.8%</u>

The domestic Company-owned store operating margin decreased \$1.2 million, or 7.1%, in the first quarter of 2009 due primarily to the impact of the 2008 store divestitures and to a lesser extent, lower same store sales. These decreases were offset in part by lower overall food costs, primarily cheese, lower labor and related costs and lower delivery costs. As a percentage of store revenues, the store operating margin increased 1.3 percentage points in the first quarter of 2009 as discussed in more detail below.

As a percentage of store revenues, food costs decreased 1.1 percentage points to 25.1% in the first quarter of 2009, due primarily to lower cheese prices. The cheese block price per pound averaged \$1.23 in the first quarter of 2009 compared to \$1.93 in the first quarter of 2008.

As a percentage of store revenues, labor and related costs decreased 0.4 percentage points to 32.0% in the first quarter of 2009, due to labor efficiencies.

As a percentage of store revenues, occupancy costs, which include rent, telephone, utilities and depreciation, increased 0.2 percentage points to 11.7% in the first quarter of 2009.

As a percentage of store revenues, insurance costs increased 0.1 percentage points to 3.3% in the first quarter of 2009.

### **Domestic Supply Chain Operating Margin**

<u>Domestic Supply Chain</u>	<u>First Quarter of 2009</u>		<u>First Quarter of 2008</u>	
Revenues	\$173.5	100.0%	\$176.2	100.0%
Cost of sales	155.0	89.3%	160.6	91.2%
Supply Chain operating margin	<u>\$ 18.5</u>	<u>10.7%</u>	<u>\$ 15.6</u>	<u>8.8%</u>

The domestic supply chain operating margin increased \$2.9 million, or 19.0%, in the first quarter of 2009, due primarily to lower cost of sales, fuel costs and operating efficiencies.

As a percentage of supply chain revenues, the supply chain operating margin increased 1.9 percentage points in the first quarter of 2009, due primarily to lower food prices, including cheese, and efficiencies gained at the supply chain centers through reduced delivery frequency and cost reductions. Decreases in certain food prices, including cheese, have a positive effect on the domestic supply chain operating margin due to the fixed dollar margin earned by domestic supply chain on certain food items, including cheese. Had the 2009 cheese prices been in effect during 2008, the domestic supply chain operating margin as a percentage of domestic supply chain revenues would have been approximately 9.5% for the first quarter of 2008, resulting in a domestic supply chain operating margin increase of 1.2 percentage points in the first quarter of 2009.

### **General and Administrative Expenses**

General and administrative expenses increased \$5.2 million, or 13.5%, in the first quarter of 2009, due primarily to a \$4.2 million gain recorded in the first quarter of 2008 related to the sale of certain Company-owned operations offset in part by approximately \$1.4 million of separation and other costs recorded in the first quarter of 2008 related primarily to the Company's executed restructuring action. Additionally, general and administrative expenses in the first quarter of 2009 were negatively impacted by higher variable administrative labor.

### **Interest Expense**

Interest expense increased \$0.3 million to \$27.0 million in the first quarter of 2009 due primarily to a \$0.6 million write-off of deferred financing fees related to the extinguishment of debt in the first quarter of 2009.

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The Company's cash borrowing rate was 6.1% during the first quarter of 2009 and the first quarter of 2008. The Company's average outstanding debt balance, excluding capital lease obligations, was approximately \$1.7 billion in both the first quarter of 2009 and the first quarter of 2008.

### **Other**

The other amount of \$21.2 million in the first quarter of 2009 represents the gain recognized on the repurchase and retirement of \$43.3 million of principal on the Class A-2 Notes.

### **Provision for Income Taxes**

Provision for income taxes increased \$6.4 million to \$15.8 million in the first quarter of 2009, due primarily to an increase in pre-tax income. The effective tax rate was 40.0% during the first quarter of 2009 and the first quarter of 2008.

### **Liquidity and Capital Resources**

As of March 22, 2009, we had working capital of \$33.7 million, excluding restricted cash and cash equivalents of \$65.9 million and including total unrestricted cash and cash equivalents of \$67.9 million. Historically, we have operated with minimal positive or negative working capital primarily because our receivable collection periods and inventory turn rates are faster than the normal payment terms on our current liabilities. We generally collect our receivables within three weeks from the date of the related sale, and we generally experience 40 to 50 inventory turns per year. In addition, our sales are not typically seasonal, which further limits our working capital requirements. These factors, coupled with significant and ongoing cash flows from operations, which are primarily used to service our debt obligations, invest in our business and repurchase common stock, reduce our working capital amounts. As of March 22, 2009, the Company had approximately \$29.0 million of cash held for future interest payments, \$26.4 million of cash held in interest reserves, \$10.0 million of cash held for capitalization of certain subsidiaries and \$0.5 million of other restricted cash, for a total of \$65.9 million of restricted cash and cash equivalents.

As of March 22, 2009, we had nearly \$1.7 billion of long-term debt, of which \$25.3 million was classified as a current liability. Our primary sources of liquidity are cash flows from operations. As of March 22, 2009, the Company had borrowings of \$4.1 million available under its \$60.0 million variable funding notes, net of letters of credit issued of \$34.6 million. These letters of credit primarily relate to our insurance programs and supply chain center leases. During the first quarter of 2009, the Company borrowed approximately \$24.3 million on the variable funding notes and repaid \$3.0 million of those borrowings during the first quarter of 2009. The net borrowings under the variable funding notes were used in combination with cash on hand to fund the repurchase and retirement of Class A-2 Notes. During the first quarter of 2009, the Company repurchased and retired \$43.3 million of principal of its outstanding Class A-2 Notes for a total purchase price of approximately \$22.3 million. Subsequent to the first quarter of 2009, the Company repurchased and retired \$25.0 million of principal of its outstanding Class A-2 Notes for a total purchase price of approximately \$12.3 million.

We have historically funded our working capital requirements, capital expenditures, debt repayments and share repurchases primarily from our cash flows from operations and, when necessary, our available borrowings under the variable funding notes. Management believes its current unrestricted cash and cash equivalents balance and its expected ongoing cash flow from operations is sufficient to fund operations for the foreseeable future. We did not have any material commitments for capital expenditures as of March 22, 2009.

Cash provided by operating activities was \$12.3 million and \$20.3 million in the first quarter of 2009 and 2008, respectively. The \$8.0 million decrease was due primarily to a \$1.5 million decrease in net income before the impact of non-cash adjustments and a \$6.5 million net change in operating assets and liabilities, due primarily to the timing of payment of current operating liabilities.

Cash provided by investing activities was \$9.8 million and \$3.5 million in the first quarter of 2009 and 2008, respectively. The \$6.3 million increase was due primarily to a \$14.8 million change in restricted cash and cash equivalents offset in part by a \$7.9 million decrease in proceeds from the sale of assets primarily as a result of the sale of certain Company-owned operations in California and Georgia in 2008.

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Cash provided by financing activities was \$0.5 million in the first quarter of 2009, and cash used in financing activities was \$31.8 million in the first quarter of 2008. The \$32.3 million net change was due primarily to a \$21.3 million increase in the proceeds from issuance of long-term debt and an \$18.4 million decrease in purchases of common stock, offset in part by a \$7.1 million increase in repayments of long-term debt and capital lease obligations.

Based upon the current level of operations and anticipated growth, we believe that the cash generated from operations and amounts available under the variable funding notes will be adequate to meet our anticipated debt service requirements, capital expenditures and working capital needs for the next twelve months. Our ability to continue to fund these items and continue to reduce debt could be adversely affected by the occurrence of any of the events described under “Risk Factors” in our filings with the Securities and Exchange Commission. There can be no assurance, however, that our business will generate sufficient cash flows from operations or that future borrowings will be available under the variable funding notes or otherwise to enable us to service our indebtedness, or to make anticipated capital expenditures. Our future operating performance and our ability to service, extend or refinance the fixed rate notes and to service, extend or refinance the variable funding notes will be subject to future economic conditions and to financial, business and other factors, many of which are beyond our control.

### **New Accounting Pronouncements**

The Company considered relevant recently issued accounting pronouncements during the first quarter of 2009, as discussed in Footnote 8 of the Notes to Condensed Consolidated Financial Statements, included in this Form 10-Q.

### **Forward-Looking Statements**

This filing contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. You can identify forward-looking statements because they contain words such as “believes,” “expects,” “may,” “will,” “should,” “seeks,” “approximately,” “intends,” “plans,” “estimates,” “or “anticipates” or similar expressions that concern our strategy, plans or intentions. These forward-looking statements relating to our anticipated profitability, ability to service our indebtedness, operating performance, trends in our business and other descriptions of future events reflect management’s expectations based upon currently available information and data. However, actual results are subject to future risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. The risks and uncertainties that can cause actual results to differ materially include: our level of long-term and other indebtedness; the uncertainties relating to litigation; consumer preferences, spending patterns and demographic trends; the effectiveness of our advertising, operations and promotional initiatives; the strength of our brand in the markets in which we compete; our ability to retain key personnel; new product and concept developments by Domino’s and other food-industry competitors; the ongoing profitability of our franchisees and the ability of Domino’s and our franchisees to open new restaurants and keep existing restaurants in operation; changes in food prices, particularly cheese, labor, utilities, insurance, employee benefits and other operating costs; the impact that widespread illness or general health concerns may have on our business and the economy of the countries in which we operate; severe weather conditions and natural disasters; changes in our effective tax rate; changes in government legislation and regulations; adequacy of our insurance coverage; costs related to future financings; our ability and that of our franchisees to successfully operate in the current credit environment; changes in the level of consumer spending given the general economic conditions including interest rates, energy prices and weakening consumer confidence; availability of borrowings under our variable funding notes and changes in accounting policies. Important factors that could cause actual results to differ materially from our expectations (“cautionary statement”) are more fully described in our other filings with the Securities and Exchange Commission, including under the section headed “Risk Factors” in our annual report on Form 10-K. We do not undertake to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

***Market Risk***

The Company is exposed to market risk from interest rate changes on our variable rate debt, which consists from time to time of outstanding variable funding note borrowings. Management actively monitors this exposure when present. As of March 22, 2009, we had \$21.3 million of outstanding variable funding note borrowings. The fixed rate notes, which comprise substantially all of our outstanding borrowings, contain fixed interest rates. We do not engage in speculative transactions nor do we hold or issue financial instruments for trading purposes.

The Company is exposed to market risk from changes in commodity prices. During the normal course of business, we purchase cheese and certain other food products that are affected by changes in commodity prices and, as a result, we are subject to volatility in our food costs. We may periodically enter into financial instruments to manage this risk. We do not engage in speculative transactions nor do we hold or issue financial instruments for trading purposes. In instances when we use forward pricing agreements with our suppliers, they always cover our physical commodity needs, are not net-settled and are accounted for as normal purchases.

**Item 4. Controls and Procedures**

Management, with the participation of Domino's Pizza, Inc.'s Chairman and Chief Executive Officer, David A. Brandon, and Executive Vice President and Chief Financial Officer, Wendy A. Beck, performed an evaluation of the effectiveness of Domino's Pizza, Inc.'s disclosure controls and procedures (as that term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this report. Based on that evaluation, Mr. Brandon and Ms. Beck concluded that Domino's Pizza, Inc.'s disclosure controls and procedures were effective.

During the quarterly period ended March 22, 2009 there have been no changes in Domino's Pizza, Inc.'s internal controls over financial reporting that have materially affected or are reasonably likely to materially affect Domino's Pizza, Inc.'s internal control over financial reporting.

**PART II. OTHER INFORMATION**

**Item 1. Legal Proceedings**

We are a party to lawsuits, revenue agent reviews by taxing authorities and administrative proceedings in the ordinary course of business which include, without limitation, workers' compensation, general liability, automobile and franchisee claims. We are also subject to suits related to employment practices and, specifically in California, wage and hour claims.

While we may occasionally be party to large claims, including class action suits, we do not believe that these matters, individually or in the aggregate, will materially affect our financial position, results of operations or cash flows.

**Item 1A. Risk Factors**

There have been no material changes in the risk factors previously disclosed in the Company's Form 10-K for the fiscal year ended December 28, 2008.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

None.

**Item 3. Defaults Upon Senior Securities**

None.

**Item 4. Submission of Matters to a Vote of Security Holders**

None.

**Item 5. Other Information**

None.

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### Item 6. Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1*	Amended Domino's Pizza, Inc. 2004 Equity Incentive Plan.
10.2*	Form of Employee Stock Option Agreement under the Amended Domino's Pizza, Inc. 2004 Equity Incentive Plan.
10.3*	Form of Director Stock Option Agreement under the Amended Domino's Pizza, Inc. 2004 Equity Incentive Plan.
10.4*	Form of Amendment to Existing Employee Stock Option Grants under the Amended Domino's Pizza, Inc. 2004 Equity Incentive Plan.
10.5*	Form of Amendment to Existing Director Stock Option Grants under the Amended Domino's Pizza, Inc. 2004 Equity Incentive Plan.
31.1	Certification by David A. Brandon pursuant to Rule 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, relating to Domino's Pizza, Inc.
31.2	Certification by Wendy A. Beck pursuant to Rule 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, relating to Domino's Pizza, Inc.
32.1	Certification by David A. Brandon pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, relating to Domino's Pizza, Inc.
32.2	Certification by Wendy A. Beck pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, relating to Domino's Pizza, Inc.

\* — A management contract or compensatory plan or arrangement required to be filed as an exhibit to this report pursuant to Item 6 of Form 10-Q.

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned duly authorized officer.

DOMINO'S PIZZA, INC.  
(Registrant)

Date: April 30, 2009

/s/ Wendy A. Beck  
Wendy A. Beck  
Chief Financial Officer

AMENDED  
DOMINO'S PIZZA, INC.

2004 EQUITY INCENTIVE PLAN

**1. DEFINED TERMS**

Exhibit A, which is incorporated by reference, defines the terms used in the Plan and sets forth certain operational rules related to those terms.

**2. GENERAL**

The Plan has been established to advance the interests of the Company by giving Stock-based and other incentives to selected Employees, directors and other persons (including both individuals and entities) who provide services to the Company or its Affiliates.

**3. ADMINISTRATION**

The Administrator has discretionary authority, subject only to the express provisions of the Plan, to interpret the Plan; determine eligibility for and grant Awards; determine, modify or waive the terms and conditions of any Award, except that the Administrator may not reduce the exercise price of an outstanding Option and may not, without the consent of the holder of an Award, take any action under this clause with respect to such Award if such action would adversely affect the rights of such holder; prescribe forms, rules and procedures (which it may modify or waive); and otherwise do all things necessary to carry out the purposes of the Plan. In the case of any Award intended to be eligible for the performance-based compensation exception under Section 162(m), the Administrator shall exercise its discretion consistent with qualifying the Award for such exception.

**4. LIMITS ON AWARD UNDER THE PLAN**

**a. Number of Shares.**

A maximum of 15,600,000 shares of Stock may be delivered in satisfaction of Awards under the Plan. The shares of Stock may be authorized, but unissued, or reacquired shares of Stock. For purposes of the preceding sentence, the following shares shall not be considered to have been delivered under the Plan: (i) shares remaining under an Award that terminates without having been exercised in full; (ii) shares of Restricted Stock that have been forfeited in accordance with the terms of the applicable Award; and (iii) shares held back, in satisfaction of the exercise price or tax withholding requirements, from shares that would otherwise have been delivered pursuant to an Award. The number of shares of Stock delivered under an Award shall be determined net of any previously acquired Shares tendered by the Participant in payment of the exercise price or of withholding taxes. A maximum of 1,000,000 shares of Stock may be issued as ISO Awards under the Plan.

**b. Type of Shares.**

Stock delivered by the Company under the Plan may be authorized but unissued Stock or previously issued Stock acquired by the Company and held in treasury. No fractional shares of Stock will be delivered under the Plan.

**c. Option & SAR Limits.**

The maximum number of shares of Stock for which Stock Options may be granted to any person in any calendar year, the maximum number of shares of Stock subject to SARs granted to any person in any calendar year and the aggregate maximum number of shares of Stock subject to other Awards that may be delivered to any person in any calendar year shall each be 1,000,000. For purposes of the preceding sentence, the repricing of a Stock Option or SAR shall be treated as a new grant to the extent required under Section 162(m). Subject to these limitations, each person eligible to participate in the Plan shall be eligible in any year to receive Awards covering up to the full number of shares of Stock then available for Awards under the Plan.

**d. Other Award Limits.**

No more than \$1,000,000 may be paid to any individual with respect to any Cash Performance Award. In applying the limitation of the preceding sentence: (A) multiple Cash Performance Awards to the same individual that are determined by reference to performance periods of one year or less ending with or within the same fiscal year of the Company shall be subject in the aggregate to one limit of such amount, and (B) multiple Cash Performance Awards to the same individual that are determined by reference to one or more multi-year performance periods ending in the same fiscal year of the Company shall be subject in the aggregate to a separate limit of such amount. With respect to any Performance Award other than a Cash Performance Award or a Stock Option or SAR, the maximum Award opportunity shall be 1,000,000 shares of Stock or their equivalent value in cash, subject to the limitations of Section 4.c.

**5. ELIGIBILITY AND PARTICIPATION**

The Administrator will select Participants from among those key Employees, directors and other individuals or entities providing services to the Company or its Affiliates who, in the opinion of the Administrator, are in a position to make a significant contribution to the success of the Company and its Affiliates. Eligibility for ISOs is further limited to those individuals whose employment status would qualify them for the tax treatment described in Sections 421 and 422 of the Code.

## 6. RULES APPLICABLE TO AWARDS

### a. All Awards.

(1) Terms of Awards. The Administrator shall determine the terms of all Awards subject to the limitations provided herein. In the case of an ISO, the term shall be ten (10) years from the date of grant or such shorter term as may be provided in the Award. Moreover, in the case of an ISO granted to a Participant who, at the time the ISO is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of capital stock of the Company or any Parent or Subsidiary, the term of the ISO shall be five (5) years from the date of grant or such shorter term as may be provided in the Award.

(2) Performance Criteria. Where rights under an Award depend in whole or in part on satisfaction of Performance Criteria, actions by the Company that have an effect, however material, on such Performance Criteria or on the likelihood that they will be satisfied will not be deemed an amendment or alteration of the Award.

(3) Alternative Settlement. The Company may at any time extinguish rights under an Award in exchange for payment in cash, Stock (subject to the limitations of Section 4) or other property on such terms as the Administrator determines, provided the holder of the Award consents to such exchange.

(4) Transferability Of Awards. Except as the Administrator otherwise expressly provides, Awards may not be transferred other than by will or by the laws of descent and distribution, and during a Participant's lifetime an Award requiring exercise may be exercised only by the Participant (or in the event of the Participant's incapacity, the person or persons legally appointed to act on the Participant's behalf).

(5) Vesting, Etc. Without limiting the generality of Section 3, the Administrator may determine the time or times at which an Award will vest (*i.e.*, become free of forfeiture restrictions) or become exercisable and the terms on which an Award requiring exercise will remain exercisable. Unless the Administrator expressly provides otherwise, immediately upon the cessation of the Participant's employment or other service relationship with the Company and its Affiliates an Award requiring exercise will cease to be exercisable and all Awards to the extent not already fully vested will be forfeited, except that:

(A) all Stock Options and SARs held by a Participant immediately prior to his or her death, to the extent then exercisable, will remain exercisable by such Participant's executor or administrator or the person or persons to whom the Stock Option or SAR is transferred by will or the applicable laws of descent and distribution, and to the extent not then exercisable will vest and become exercisable upon such Participant's death by such Participant's executor or administrator or the person or persons to whom the Stock Option or SAR is transferred by will or the applicable laws of descent and distribution, in each case for the lesser of (i) a one year period ending with the first anniversary of the Participant's death or (ii) the period ending on the latest date on which such Stock Option or SAR could have been exercised without regard to this Section 6.a.(5) and shall thereupon terminate; and

(B) all Stock Options and SARs held by the Participant immediately prior to the cessation of the Participant's employment or other service relationship for reasons other than death and except as provided in (C) below, to the extent then exercisable, will remain exercisable for the lesser of (i) a period of three months or (ii) the period ending on the latest date on which such Stock Option or SAR could have been exercised without regard to this Section 6.a.(5), and shall thereupon terminate.

Unless the Administrator expressly provides otherwise, a Participant's "employment or other service relationship with the Company and its Affiliates" will be deemed to have ceased, in the case of an employee Participant, upon termination of the Participant's employment with the Company and its Affiliates (whether or not the Participant continues in the service of the Company or its Affiliates in some capacity other than that of an employee of the Company or its Affiliates), and in the case of any other Participant, when the service relationship in respect of which the Award was granted terminates (whether or not the Participant continues in the service of the Company or its Affiliates in some other capacity).

(6) Taxes. The Administrator will make such provision for the withholding of taxes as it deems necessary. The Administrator may, but need not, hold back shares of Stock from an Award or permit a Participant to tender previously owned shares of Stock in satisfaction of tax withholding requirements, but not in excess of the minimum tax withholding rates applicable to the employee.

(7) Dividend Equivalents, Etc. The Administrator may provide for the payment of amounts in lieu of cash dividends or other cash distributions with respect to Stock subject to an Award.

(8) Rights Limited. Nothing in the Plan shall be construed as giving any person the right to continued employment or service with the Company or its Affiliates, or any rights as a shareholder except as to shares of Stock actually issued under the Plan. The loss of existing or potential profit in Awards will not constitute an element of damages in the event of termination of employment or service for any reason, even if the termination is in violation of an obligation of the Company or Affiliate to the Participant.

(9) Section 162(m). In the case of an Award intended to be eligible for the performance-based compensation exception under Section 162(m), the Plan and such Award shall be construed to the maximum extent permitted by law in a manner consistent with qualifying the Award for such exception.

**(10) Option Exchange Program.** Notwithstanding any other provision of the Plan to the contrary, upon approval of the Company's shareholders, the Committee may provide for, and the Company may implement, an option exchange offer, pursuant to which certain outstanding Stock Options could, at the election of the Participant holding such Stock Option, be tendered to the Company for cancellation in exchange for the issuance of a lesser amount of Stock Options with a lower exercise price, provided that such option exchange offer is commenced within twelve months of the date of such shareholder approval.

**b. Awards Requiring Exercise.**

**(1) Time And Manner Of Exercise.** Unless the Administrator expressly provides otherwise, (a) an Award requiring exercise by the holder will not be deemed to have been exercised until the Administrator receives a written notice of exercise (in form acceptable to the Administrator) signed by the appropriate person and accompanied by any payment required under the Award; and (b) if the Award is exercised by any person other than the Participant, the Administrator may require satisfactory evidence that the person exercising the Award has the right to do so.

**(2) Exercise Price.** The Administrator shall determine the exercise price of each Stock Option provided that each Stock Option intended to qualify for the performance-based exception under Section 162(m) of the Code and each ISO must have an exercise price that is not less than the fair market value of the Stock subject to the Stock Option, determined as of the date of grant. An ISO granted to an Employee described in Section 422(b)(6) of the Code must have an exercise price that is not less than 110% of such fair market value.

**(3) Payment Of Exercise Price, If Any.** Where the exercise of an Award is to be accompanied by payment: (a) all payments will be by cash or check acceptable to the Administrator, or, if so permitted by the Administrator (with the consent of the optionee of an ISO if permitted after the grant), (i) through the delivery of shares of Stock which have been outstanding for at least six months (unless the Administrator approves a shorter period) and which have a fair market value equal to the exercise price, (ii) by delivery of an unconditional and irrevocable undertaking by a broker to deliver promptly to the Company sufficient funds to pay the exercise price, or (ii) by any combination of the foregoing permissible forms of payment; and (b) where shares of Stock issued under an Award are part of an original issue of shares, the Award shall require an exercise price equal to at least the par value of such shares.

**(4) ISOs.** No ISO may be granted under the Plan after June 1, 2014, but ISOs previously granted may extend beyond that date.

**c. Awards Not Requiring Exercise.**

Awards of Restricted Stock and Unrestricted Stock may be made in return for either (i) services determined by the Administrator to have a value not less than the par value of the Awarded shares of Stock, or (ii) cash or other property having a value not less than the par value of the Awarded shares of Stock payable in such combination and type of cash, other property (of any kind) or services as the Administrator may determine.

## 7. EFFECT OF CERTAIN TRANSACTIONS

### a. Mergers, Etc.

In the event of a Covered Transaction, all outstanding Awards shall vest and if relevant become exercisable and all deferrals, other than deferrals of amounts that are neither measured by reference to nor payable in shares of Stock, shall be accelerated, immediately prior to the Covered Transaction and upon consummation of such Covered Transaction all Awards then outstanding and requiring exercise shall be forfeited unless assumed by an acquiring or surviving entity or its affiliate as provided in the following sentence. In the event of a Covered Transaction, unless otherwise determined by the Administrator, all Awards that are payable in shares of Stock and that have not been exercised, exchanged or converted, as applicable, shall be converted into and represent the right to receive the consideration to be paid in such Covered Transaction for each share of Stock into which such Award is exercisable, exchangeable or convertible, less the applicable exercise price or purchase price for such Award. In connection with any Covered Transaction in which there is an acquiring or surviving entity, the Administrator may provide for substitute or replacement Awards from, or the assumption of Awards by, the acquiring or surviving entity or its affiliates, any such substitution, replacement or assumption to be on such terms as the Administrator determines, provided that no such replacement or substitution shall diminish in any way the acceleration of Awards provided for in this section.

### b. Changes in and Distributions with Respect to the Stock.

(1) Basic Adjustment Provisions. In the event of a stock dividend, stock split or combination of shares, recapitalization or other change in the Company's capital structure after May 11, 2004, the Administrator will make appropriate adjustments to the maximum number of shares that may be delivered under the Plan under Section 4.a., and will also make appropriate adjustments to the number and kind of shares of stock or securities subject to Awards then outstanding or subsequently granted, any exercise prices relating to Awards and any other provision of Awards affected by such change.

(2) Certain Other Adjustments. The Administrator may also make adjustments of the type described in paragraph (1) above to take into account distributions to common stockholders other than those provided for in Section 7.a. and 7.b.(1), or any other event, if the Administrator determines that adjustments are appropriate to avoid distortion in the operation of the Plan and to preserve the value of Awards made hereunder; *provided*, that no such adjustment shall be made to the maximum share limits described in Section 4.c. or 4.d., or otherwise to an Award intended to be eligible for the performance-based exception under Section 162(m), except to the extent consistent with that exception, nor shall any change be made to ISOs except to the extent consistent with their continued qualification under Section 422 of the Code.

(3) Continuing Application of Plan Terms. References in the Plan to shares of Stock shall be construed to include any stock or securities resulting from an adjustment pursuant to Section 7.b.(1) or 7.b.(2) above.

## **8. LEGAL CONDITIONS ON DELIVERY OF STOCK**

The Company will not be obligated to deliver any shares of Stock pursuant to the Plan or to remove any restriction from shares of Stock previously delivered under the Plan until the Company's counsel has approved all legal matters in connection with the issuance and delivery of such shares; if the outstanding Stock is at the time of delivery listed on any stock exchange or national market system, the shares to be delivered have been listed or authorized to be listed on such exchange or system upon official notice of issuance; and all conditions of the Award have been satisfied or waived. If the sale of Stock has not been registered under the Securities Act of 1933, as amended, the Company may require, as a condition to exercise of the Award, such representations or agreements as counsel for the Company may consider appropriate to avoid violation of such Act. The Company may require that certificates evidencing Stock issued under the Plan bear an appropriate legend reflecting any restriction on transfer applicable to such Stock.

## **9. AMENDMENT AND TERMINATION**

Subject to the last sentence of Section 3, the Administrator may at any time or times amend the Plan or any outstanding Award for any purpose which may at the time be permitted by law, or may at any time terminate the Plan as to any further grants of Awards; *provided*, that (except to the extent expressly required or permitted by the Plan) no such amendment will, without the approval of the stockholders of the Company, effectuate a change: (i) for which stockholder approval is required in order for the Plan to continue to qualify under Section 422 of the Code; (ii) for which stockholder approval is required under the Corporate Governance Laws of the New York Stock Exchange applicable to the Company; and (iii) for Awards to be eligible for the performance-based exception under Section 162(m).

In addition, the Administrator may take any action consistent with the terms of the Plan, either before or after an Award has been granted, which the Administrator deems necessary or advisable to comply with any government laws or regulatory requirements of a foreign country, including but not limited to, modifying or amending the terms and conditions governing any Awards, or establishing any local country plans as sub-plans to this Plan. Further, under all circumstances, the Administrator may make non-substantive administrative changes to the Plan as to conform with or take advantage of governmental requirements, statutes or regulations.

## **10. NON-LIMITATION OF THE COMPANY'S RIGHTS**

The existence of the Plan or the grant of any Award shall not in any way affect the Company's right to Award a person bonuses or other compensation in addition to Awards under the Plan.

## **11. GOVERNING LAW**

The Plan shall be construed in accordance with the laws of the State of Delaware.

## EXHIBIT A

### Definition of Terms

The following terms, when used in the Plan, shall have the meanings and be subject to the provisions set forth below:

**“Administrator”:** The Board or, if one or more has been appointed, the Committee.

**“Affiliate”:** Any corporation or other entity owning, directly or indirectly, 50% or more of the outstanding Stock of the Company, or in which the Company or any such corporation or other entity owns, directly or indirectly, 50% of the outstanding capital stock (determined by aggregate voting rights) or other voting interests.

**“Award”:** Any or a combination of the following:

(i) Stock Options.

(ii) SARs.

(iii) Restricted Stock.

(iv) Unrestricted Stock.

(v) Deferred Stock.

(vi) Securities (other than Stock Options) that are convertible into or exchangeable for Stock on such terms and conditions as the Administrator determines.

(vii) Cash Performance Awards.

(viii) Performance Awards.

(ix) Grants of cash, or loans, made in connection with other Awards in order to help defray in whole or in part the economic cost (including tax cost) of the Award to the Participant.

**“Board”:** The Board of Directors of the Company.

**“Cash Performance Award”:** A Performance Award payable in cash. The right of the Company under Section 6.a.(3) to extinguish an Award in exchange for cash or the exercise by the Company of such right shall not make an Award otherwise not payable in cash a Cash Performance Award.

**“Code”:** The U.S. Internal Revenue Code of 1986 as from time to time amended and in effect, or any successor statute as from time to time in effect.

**“Committee”:** One or more committees of the Board which in the case of Awards granted to officers of the Company shall be comprised solely of two or more outside directors within the meaning of Section 162(m). Any Committee may delegate ministerial tasks to such persons (including Employees) as it deems appropriate.

**“Company”:** Domino’s Pizza, Inc.

**“Covered Transaction”:** Any of (i) a consolidation or merger in which the Company is not the surviving corporation or which results in the acquisition of all or substantially all of the Company’s then outstanding common stock by a single person or entity or by a group of persons and/or entities acting in concert, (ii) a sale or transfer of all or substantially all the Company’s assets, or (iii) a dissolution or liquidation of the Company.

**“Deferred Stock”:** A promise to deliver Stock or other securities in the future on specified terms.

**“Employee”:** Any person who is employed by the Company or an Affiliate.

**“ISO”:** A Stock Option intended to be an “incentive stock option” within the meaning of Section 422 of the Code. No Stock Option Awarded under the Plan will be an ISO unless the Administrator expressly provides for ISO treatment.

**“Parent”:** A “parent corporation,” whether now or hereafter existing, as defined in Section 424(e) of the Code.

**“Participant”:** An Employee, director or other person providing services to the Company or its Affiliates who is granted an Award under the Plan.

**“Performance Award”:** An Award subject to Performance Criteria. The Committee in its discretion may grant Performance Awards that are intended to qualify for the performance-based compensation exception under Section 162(m) and Performance Awards that are not intended so to qualify.

**“Performance Criteria”:** Specified criteria the satisfaction of which is a condition for the exercisability, vesting or full enjoyment of an Award. For purposes of Performance Awards that are intended to qualify for the performance-based compensation exception under Section 162(m), a Performance Criterion shall mean an objectively determinable measure of performance relating to any of the following (determined either on a consolidated basis or, as the context permits, on a divisional, subsidiary, line of business, project or geographical basis or in combinations thereof): (i) sales; revenues; assets; expenses; earnings before or after deduction for all or any portion of interest, taxes, depreciation, amortization or other items, whether or not on a continuing operations or an aggregate or per share basis; return on equity, investment, capital or assets; one or more operating ratios; borrowing levels, leverage ratios or credit rating; market share; capital expenditures; cash flow; stock price; stockholder return; network deployment; sales of particular products or services; customer acquisition, expansion and retention; or any combination of the foregoing; or

(ii) acquisitions and divestitures (in whole or in part); joint ventures and strategic alliances; spin-offs, split-ups and the like; reorganizations; recapitalizations, restructurings, financings (issuance of debt or equity) and refinancings; transactions that would constitute a change of control; or any combination of the foregoing. A Performance Criterion measure and targets with respect thereto determined by the Administrator need not be based upon an increase, a positive or improved result or avoidance of loss.

**“Plan”:** The Domino’s Pizza, Inc. 2004 Equity Incentive Plan, as from time to time amended and in effect.

**“Restricted Stock”:** An Award of Stock subject to restrictions requiring that such Stock be redelivered to the Company if specified conditions are not satisfied.

**“Section 162(m)”:** Section 162(m) of the Code.

**“SARs”:** Rights entitling the holder upon exercise to receive cash or Stock, as the Administrator determines, equal to a function (determined by the Administrator using such factors as it deems appropriate) of the amount by which the Stock has appreciated in value since the date of the Award.

**“Stock”:** Common Stock of the Company, par value \$ .01 per share.

**“Stock Options”:** Options entitling the recipient to acquire shares of Stock upon payment of the exercise price.

**“Subsidiary”:** A “subsidiary corporation,” whether now or hereafter existing, as defined in Section 424(f) of the Code.

**“Unrestricted Stock”:** An Award of Stock not subject to any restrictions under the Plan.

Name:  
 Employee ID:  
 No. of Options:  
 Grant Date:  
 Expiration Date:  
 Grant Price:

Domino's Pizza, Inc.  
2004 Equity Incentive Plan  
Non-Qualified Stock Option Agreement

Domino's Pizza, Inc., (the "Company") a Delaware corporation, hereby grants this Stock Option to the above named individual (the Participant), pursuant to the Company's 2004 Equity Incentive Plan (as from time to time in effect, the "Plan"). Under this Stock Option, the Participant may purchase, from the Company during the period commencing on the Grant Date set forth above, and expiring on the Expiration Date set forth above, the aggregate number of shares set forth above (the "Shares") of the Common Stock of the Company at the price per Share set forth above (the "Grant Price"), all in accordance with and subject to the following terms and conditions:

**1. Vesting.** This Stock Option is exercisable in the following cumulative installments (each an "Installment Period") prior to the tenth anniversary of the Grant Date (the "Expiration Date"):

20% of the Shares on and after the 1<sup>st</sup> anniversary of the Grant Date;  
 an additional 20% of the Shares on and after the 2<sup>nd</sup> anniversary of the Grant Date;  
 an additional 20% of the Shares on and after the 3<sup>rd</sup> anniversary of the Grant Date;  
 an additional 20% of the Shares on and after the 4<sup>th</sup> anniversary of the Grant Date;  
 the remaining 20% of the Shares on and after the 5<sup>th</sup> anniversary of the Grant Date; and

the right of exercise shall be cumulative, so that if the Stock Option is not exercised to the maximum extent permissible during an Installment Period, it shall be exercisable, in whole or in part, with respect to all Shares not so purchased at any time prior to the Expiration Date, subject to earlier termination as set forth in this agreement (the "Agreement") and the Plan.

Subject to the other provisions of this Agreement and the Plan, if the Participant Retires (or dies or becomes disabled at a time when the Participant had satisfied the age and years of service requirements specified in the definition of Retirement) this Stock Option will immediately upon such Retirement or death or disability, as applicable, and to the extent not otherwise exercisable, become fully exercisable, and will thereafter and during the period specified in the following paragraph remain, to the extent not previously exercised, fully exercisable for the Shares. For purposes of this Stock Option, "Retire" and "Retirement" mean termination of the Participant's employment (other than a termination for cause) after attainment by the Participant of age fifty-five (55) and ten (10) years of continuous service with the Company and/or its subsidiaries.

Upon termination of the Participant's employment, any portion of this Stock Option that is not then exercisable (determined after giving effect, to the extent applicable, to the accelerated exercisability provisions of the immediately preceding paragraph) will immediately expire and the remainder of this Stock Option will remain exercisable, subject to the other provisions of this Agreement and the Plan, until the earlier of (A) the Expiration Date, or (B)(i) if the employment terminates by reason of the Participant's death, the second anniversary of the date of such death; (ii) if the employment terminates by reason of the Participant's Retirement, the Expiration Date, provided, however, that if the Participant dies after Retirement the period specified by this clause (ii) shall be modified to end on the second anniversary of the date of such death; (iii) if the employment terminates by reason of disability or an involuntary termination other than for cause, the first anniversary of the date of termination; or (iv) if the Participant voluntarily terminates employment before becoming eligible for Retirement, or is involuntarily terminated for cause, the thirtieth (30th) day following the date of termination. Upon the expiration of the applicable latest exercise date described in the immediately preceding sentence, this Stock Option shall terminate.

**2. Exercise of Stock Option.** Each election to exercise this Stock Option shall be made, in the manner prescribed by the Company, with the third party stock plan administrator appointed by the Company, by the Participant or the Participant's executor, administrator, or legally appointed representative (in the event of the Participant's incapacity) or the person or persons to whom this Stock Option is transferred by will or the applicable laws of descent and distribution (collectively, the "Option Holder") and received by the third party stock plan administrator, accompanied by this Agreement and payment in full as provided in the Plan. The purchase price shall be paid to the third party stock plan administrator appointed by the Company by either (i) delivery of cash or check; (ii) wire transfer; or (iii) through a broker-assisted cashless exercise program implemented in connection with the Plan. In the event that this Stock Option is exercised by an Option Holder other than the Participant, the Company will be under no obligation to deliver Shares hereunder unless and until it is satisfied as to the authority of the Option Holder to exercise this Stock Option.

**3. Restrictions on Transfer of Shares.** If at the time this Stock Option is exercised the Company or any of its stockholders is a party to any agreement restricting the transfer of any outstanding shares of the Company's Common Stock, the Administrator may provide that this Stock Option may be exercised only if the Shares so acquired are made subject to the transfer restrictions set forth in that agreement (or if more than one such agreement is then in effect, the agreement or agreements specified by the Administrator).

**4. Withholding; Agreement to Provide Security.** The Company will not deliver Shares being purchased upon any exercise of this Stock Option unless it has received payment in a form acceptable to the Company for all applicable withholding taxes (or the Participant makes other arrangements satisfactory to the Company for the payment of such taxes).

**5. Nontransferability of Stock Option.** This Stock Option is not transferable by the Participant otherwise than by will or the laws of descent and distribution, and is exercisable during the Participant's lifetime only by the Participant (or in the event of the Participant's incapacity, the person or persons legally appointed to act on the Participant's behalf).

**6. Provisions of the Plan.** This Stock Option is subject to the provisions of the Plan, which are incorporated herein by reference. A copy of the Plan as in effect on the date of the grant of this Stock Option is available from the Company. By exercising all or any part of this Stock Option, the Participant agrees to be bound by the terms of the Plan and this Agreement. All initially capitalized terms used herein will have the meaning specified in the Plan, unless another meaning is specified herein.

**7. Non-Statutory Option.** The Stock Option evidenced by this Agreement is intended to be, and is hereby designated, a non-statutory option, that is, an option that does *not* qualify as an incentive stock option as defined in section 422 of the Internal Revenue Code of 1986, as amended from time to time (the "Code").

**8. Governing Law.** This Stock Option is governed by, and subject to, the laws of the State of Delaware, as provided in the Plan. For purposes of litigating any dispute that arises under this Agreement or the Plan, the parties hereby submit to and consent to the jurisdiction of the State of Delaware, agree that such litigation shall be conducted in the courts of Delaware, or the federal courts for the United States for the District of Delaware, where this grant is made and/or to be performed.

**9. Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents related to this Stock Option and participation in the Plan or future options that may be granted under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

**10. Severability.** The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized officer.

**DOMINO'S PIZZA, INC.**

Name: David A. Brandon

Title: Chairman and Chief Executive Officer

Name:  
 SSN:  
 No. of Options:  
 Grant Date:  
 Expiration Date:  
 Grant Price:

Domino's Pizza, Inc.  
2004 Equity Incentive Plan  
Non-Qualified Stock Option Agreement

Domino's Pizza, Inc., (the "Company") a Delaware corporation, hereby grants this Stock Option to the above named individual (the "Participant"), pursuant to the Company's 2004 Equity Incentive Plan (as from time to time in effect, the "Plan"). Under this Stock Option, the Participant may purchase, from the Company during the period commencing on the Grant Date set forth above, and expiring on the Expiration Date set forth above, the aggregate number of shares set forth above (the "Shares") of the Common Stock of the Company at the price per Share set forth above (the "Grant Price"), all in accordance with and subject to the following terms and conditions:

**1. Vesting.** This Stock Option is exercisable for 100% of the Shares on and after the 1<sup>st</sup> anniversary of the Grant Date at any time prior to the tenth anniversary of the Grant Date (the "Expiration Date"), subject to earlier termination as set forth in this agreement (the "Agreement") and the Plan.

If the Participant ceases to serve as a director of the Company prior to the first anniversary of the Grant Date, this Stock Option will immediately expire Subject to the other provisions of this Agreement and the Plan, provided, however, if the Participant ceases to serve as a director or Retires or dies, at a time when the Participant had satisfied the age and years of service requirements specified in the definition of Retirement, this Stock Option will immediately upon such termination of service, Retirement or death, as applicable, and to the extent not otherwise exercisable, become fully exercisable, and will thereafter and until the Expiration Date, to the extent not previously exercised, be fully exercisable for the Shares. Provided, further, that if the Participant dies after such Retirement or dies at a time when the Participant had satisfied the age and years of service requirements specified in the definition of Retirement, the period for exercise specified herein shall end on the second anniversary of the date of such death. For purposes of this Stock Option, "Retire" and "Retirement" mean termination of the Participant's service as a director after attainment by the Participant of age fifty-five (55) and five (5) years of continuous service as a director with the Company.

**2. Exercise of Stock Option.** Each election to exercise this Stock Option shall be made, in the manner prescribed by the Company, with the third party stock plan administrator appointed by the Company, by the Participant or the Participant's executor, administrator, or legally appointed representative (in the event of the Participant's incapacity) or the person or persons to whom this Stock Option is transferred by will or the applicable laws of descent and distribution (collectively, the "Option Holder") and received by the third party stock plan administrator, accompanied by this Agreement and payment in full as provided in the Plan. The purchase price shall be paid to the third party stock plan administrator appointed by the Company by either (i) delivery of cash or check; (ii) wire transfer; or (iii) through a broker-assisted cashless exercise program implemented in connection with the Plan. In the event that this Stock Option is exercised by an Option Holder other than the Participant, the Company will be under no obligation to deliver Shares hereunder unless and until it is satisfied as to the authority of the Option Holder to exercise this Stock Option.

**3. Restrictions on Transfer of Shares.** If at the time this Stock Option is exercised the Company or any of its stockholders is a

party to any agreement restricting the transfer of any outstanding shares of the Company's Common Stock, the Administrator may provide that this Stock Option may be exercised only if the Shares so acquired are made subject to the transfer restrictions set forth in that agreement (or if more than one such agreement is then in effect, the agreement or agreements specified by the Administrator).

**4. Withholding; Agreement to Provide Security.** The Company will not deliver Shares being purchased upon any exercise of this Stock Option unless it has received payment in a form acceptable to the Company for all applicable withholding taxes (or the Participant makes other arrangements satisfactory to the Company for the payment of such taxes).

**5. Nontransferability of Stock Option.** This Stock Option is not transferable by the Participant otherwise than by will or the laws of descent and distribution, and is exercisable during the Participant's lifetime only by the Participant (or in the event of the Participant's incapacity, the person or persons legally appointed to act on the Participant's behalf).

**6. Provisions of the Plan.** This Stock Option is subject to the provisions of the Plan, which are incorporated herein by reference. A copy of the Plan as in effect on the date of the grant of this Stock Option is available from the Company. By exercising all or any part of this Stock Option, the Participant agrees to be bound by the terms of the Plan and this Agreement. All initially capitalized terms used herein will have the meaning specified in the Plan, unless another meaning is specified herein.

**7. Non-Statutory Option.** The Stock Option evidenced by this Agreement is intended to be, and is hereby designated, a non-statutory option, that is, an option that does *not* qualify as an incentive stock option as defined in section 422 of the Internal Revenue Code of 1986, as amended from time to time (the "Code").

**8. Governing Law.** This Stock Option is governed by, and subject to, the laws of the State of Delaware, as provided in the Plan. For purposes of litigating any dispute that arises under this Agreement or the Plan, the parties hereby submit to and consent to the jurisdiction of the State of Delaware, agree that such litigation shall be conducted in the courts of Delaware, or the federal courts for the United States for the District of Delaware, where this grant is made and/or to be performed.

**9. Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents related to this Stock Option and participation in the Plan or future options that may be granted under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

**10. Severability.** The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized officer.

**DOMINO'S PIZZA, INC.**

Name: David A. Brandon

Title: Chairman and Chief Executive Officer

**DOMINO'S PIZZA, INC.**Amendment to Non-Statutory Stock Option  
Granted Under 2004 Equity Incentive Plan

Reference is made to the Stock Option granted to you by Domino's Pizza, Inc., a Delaware corporation (the "Company") on or prior to February 28, 2009, pursuant to the Company's 2004 Equity Incentive Plan (as amended from time to time, the "Plan").

Pursuant to, and in accordance with, Section 9 of the Plan, the terms of your Stock Option are hereby amended as follows:

1. Vesting Upon Retirement. Section 1 of the Stock Option is hereby amended to add the following paragraph as the penultimate paragraph of such Section 1:

Subject to the other provisions of this Agreement and the Plan, if the Participant Retires (or dies or becomes disabled at a time when the Participant had satisfied the age and years of service requirements specified in the definition of Retirement) this Stock Option will immediately upon such Retirement or death or disability, as applicable, and to the extent not otherwise exercisable become fully exercisable, and will thereafter and during the period specified in the following paragraph remain, to the extent not previously exercised, fully exercisable for the Shares. For purposes of this Stock Option, "Retire" and "Retirement" mean termination of the Participant's employment (other than a termination for cause) after attainment by the Participant of age fifty-five (55) and ten (10) years of continuous service with the Company and/or its subsidiaries.

2. Post-Termination Exercise Period. The last paragraph of Section 1 of the Stock Option is hereby amended and restated in its entirety to read as follows:

Upon termination of the Participant's employment, any portion of this Stock Option that is not then exercisable (determined after giving effect, to the extent applicable, to the accelerated exercisability provisions of the immediately preceding paragraph) will immediately expire and the remainder of this Stock Option will remain exercisable, subject to the other provisions of this Agreement and the Plan, until the earlier of (A) the Expiration Date, or (B)(i) if the employment terminates by reason of the Participant's death, the second anniversary of the date of such death; (ii) if the employment terminates by reason of the Participant's Retirement, the Expiration Date, provided, however, that if the Participant dies after Retirement the period specified by this clause (ii) shall be modified to end on the second anniversary of the date of

EIP Amendment

such death; (iii) if the employment terminates by reason of disability or an involuntary termination other than for cause, the first anniversary of the date of termination; or (iv) if the Participant voluntarily terminates employment before becoming eligible for Retirement, or is involuntarily terminated for cause, the thirtieth (30th) day following the date of termination. Upon the expiration of the applicable latest exercise date described in the immediately preceding sentence, this Stock Option shall terminate.

Except as amended hereby, the Stock Option remains in full force and effect subject to the terms of the Stock Option and the Plan.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized officer.

**DOMINO'S PIZZA, INC.**

By: \_\_\_\_\_

Name: David A. Brandon

Title: Chairman and Chief Executive Officer

EIP Amendment

**DOMINO'S PIZZA, INC.**Amendment to Non-Statutory Stock Option  
Granted Under 2004 Equity Incentive Plan

Reference is made to the Stock Option granted to you by Domino's Pizza, Inc., a Delaware corporation (the "Company") on or prior to February 28, 2009, pursuant to the Company's 2004 Equity Incentive Plan (as amended from time to time, the "Plan").

Pursuant to, and in accordance with, Section 9 of the Plan, the terms of your Stock Option are hereby amended as follows:

1. Vesting Upon Retirement and Post Termination Exercise Period. The last paragraph of Section 1 of the Stock Option is hereby amended and restated in its entirety to read as follows:

If the Participant ceases to serve as a director of the Company prior to the first anniversary of the Grant Date, this Stock Option will immediately expire. Subject to the other provisions of this Agreement and the Plan, provided, however, if the Participant ceases to serve as a director or Retires or dies, at a time when the Participant had satisfied the age and years of service requirements specified in the definition of Retirement, this Stock Option will immediately upon such termination of service, Retirement or death, as applicable, and to the extent not otherwise exercisable, become fully exercisable, and will thereafter and until the Expiration Date, to the extent not previously exercised, be fully exercisable for the Shares. Provided, further, that if the Participant dies after such Retirement or dies at a time when the Participant had satisfied the age and years of service requirements specified in the definition of Retirement, the period for exercise specified herein shall end on the second anniversary of the date of such death. For purposes of this Stock Option, "Retire" and "Retirement" mean termination of the Participant's service as a director after attainment by the Participant of age fifty-five (55) and five (5) years of continuous service as a director with the Company.

Except as amended hereby, the Stock Option remains in full force and effect subject to the terms of the Stock Option and the Plan.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized officer.

**DOMINO'S PIZZA, INC.**

By: \_\_\_\_\_

Name: David A. Brandon

Title: Chairman and Chief Executive Officer

## CERTIFICATION OF CHIEF EXECUTIVE OFFICER, DOMINO'S PIZZA, INC.

I, David A. Brandon certify that:

1. I have reviewed this quarterly report on Form 10-Q of Domino's Pizza, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

April 30, 2009

Date

/s/ David A. Brandon

David A. Brandon  
Chief Executive Officer

## CERTIFICATION OF CHIEF FINANCIAL OFFICER, DOMINO'S PIZZA, INC.

I, Wendy A. Beck, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Domino's Pizza, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

April 30, 2009

Date

/s/ Wendy A. Beck

Wendy A. Beck  
Chief Financial Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Domino's Pizza, Inc. (the "Company") on Form 10-Q for the period ended March 22, 2009, as filed with the Securities and Exchange Commission (the "Report"), I, David A. Brandon, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that based on my knowledge:

- 1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- 2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David A. Brandon

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David A. Brandon  
Chief Executive Officer

Dated: April 30, 2009

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Domino's Pizza, Inc. and will be retained by Domino's Pizza, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Domino's Pizza, Inc. (the "Company") on Form 10-Q for the period ended March 22, 2009, as filed with the Securities and Exchange Commission (the "Report"), I, Wendy A. Beck, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that based on my knowledge:

- 1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- 2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Wendy A. Beck

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Wendy A. Beck  
Chief Financial Officer

Dated: April 30, 2009

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Domino's Pizza, Inc. and will be retained by Domino's Pizza, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.