



**HUNGRY TO**  **BE BETTER**

**Domino's Pizza Japan**  
**Investor presentation**  
**April 5<sup>th</sup> and 8<sup>th</sup>, 2019**

Australia / New Zealand • Belgium • France • The Netherlands • Japan • Germany • Luxembourg



LEADING THE  
**INTERNET OF FOOD IN**  
**EVERY NEIGHBOURHOOD**



Hungry to be better



美味しさに

We are hungry to serve more tastier pizza.

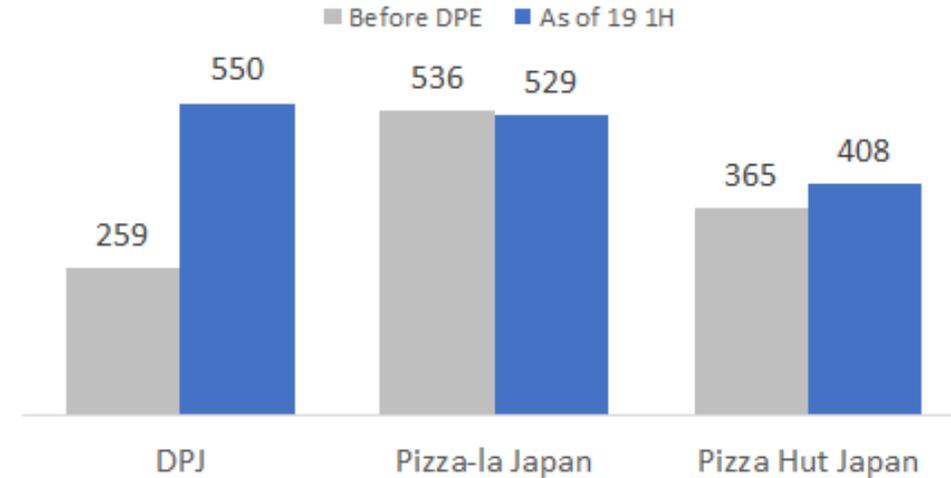
Michael Dobson  
Sunnybank Domino's

Josh Kilimnik  
CEO and President, Domino's Pizza Japan

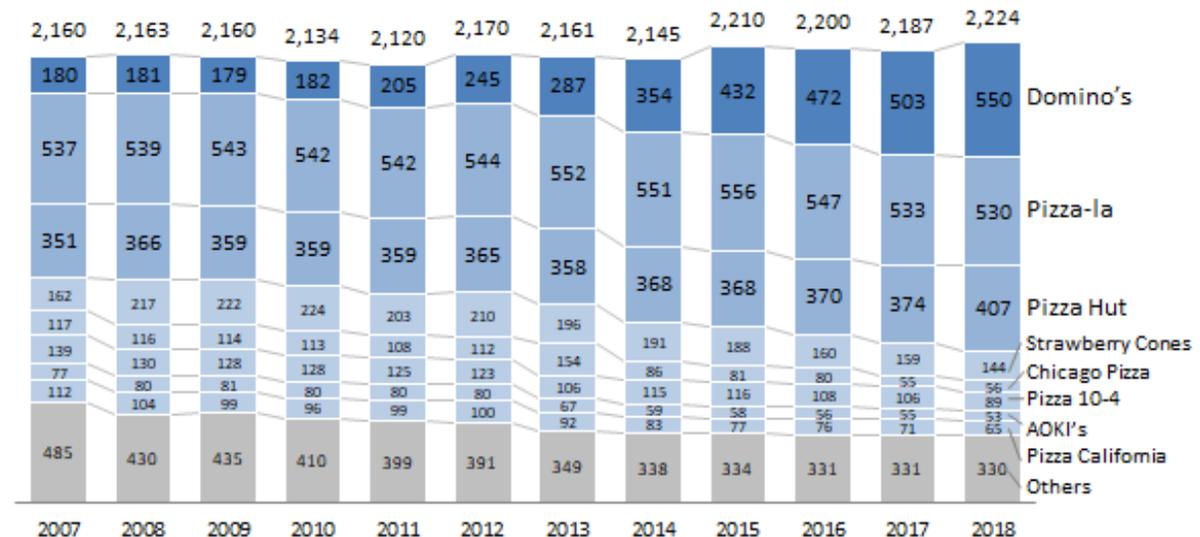


- Since 2014, Domino's Pizza Japan has grown sales by taking market share within the pizza category
- Domino's expansion plans will take a greater share of the existing pizza category
- The Company will also grow through taking share from other QSR categories in carry-out and delivery
- The Internet of Food is growing in Japan, which has benefitted Domino's in other markets:
- Market research has shown this market (particularly QSR delivery) is growing significantly<sup>(2)</sup>:
  - McDonald's delivery: JPY 7.8 bn
  - Curry QSR chain: JPY 8.7 bn
  - Family restaurant chain: JPY 20.3 bn

Number of Chain Stores <sup>(1)</sup>



CY Changes of Store Count of Delivery Pizza Industry in Japan



# Domino's Pizza Japan under 100% ownership



**Josh Kilimnik**  
CEO and President

22 years in Domino's

Experience across multiple Domino's countries including:

- Australia
- New Zealand
- UAE (responsible for 24 country markets)



**Eric Tai**  
EVP - CFO

Joined Domino's in 2016

Previously CFO at Payroll Inc, the largest payroll outsourcing company in Japan



**Hiroshi Kakiuchi**  
EVP – Corporate Ops

30 years in Domino's

Broad experience in store operations, from store manager, to area supervisor and regional director



**Saeed Khan**  
EVP - CIO

Joined Domino's in 2017

More than 20 years' Information Technology experience including multi-cultural, global companies.



**Shin Sasaki**  
EVP

30 years in Domino's

Extensive experience across DPJ, including store operations, franchise development and logistics



**Todd Reilly**  
Chief Marketing Officer

17 years in Domino's

Experience in store operations in Australia, and more than a decade in Domino's marketing, including as Domino's ANZ CMO.

- Domino's Pizza Japan history
  - From founding, through joint venture, to 100% ownership
- Where we are now
  - Including recent initiatives and management changes
- Future plans



1985 – Domino's commenced operations in Japan

2004 – Franchise operations commenced

2010 – Bain Capital purchased Domino's, with 179 stores in  
Tokyo and Osaka

2013 – Domino's Pizza Enterprises purchased 75% stake of  
Domino's Pizza Japan, operating 259 stores and outlook  
of 600 stores

2017 – Domino's Pizza Japan became wholly owned subsidiary

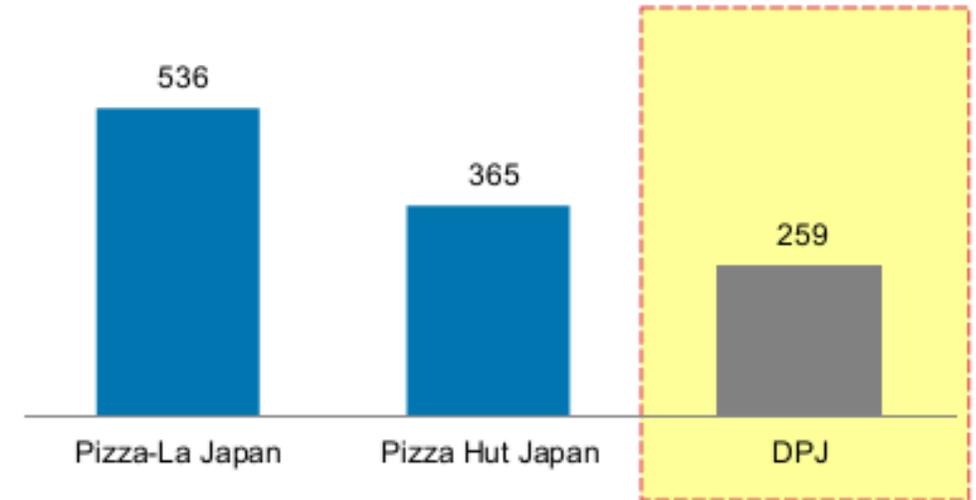
8 **Our history**

**Our approach**

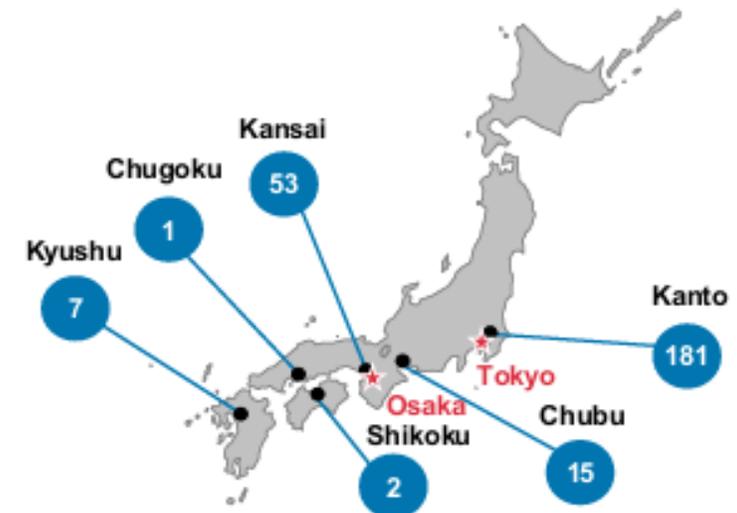
**Our future**

- New store openings
  - Plans to rollout 40-50 new stores per year in near term
- Metro vs regional opportunity
- In-fill stores in current regions
- Planned store relocations
- Develop the carry-out offering
- Leverage DPE's digital expertise to accelerate customer engagement and sales growth
- Growing our franchisee base

## Number of Chain Stores

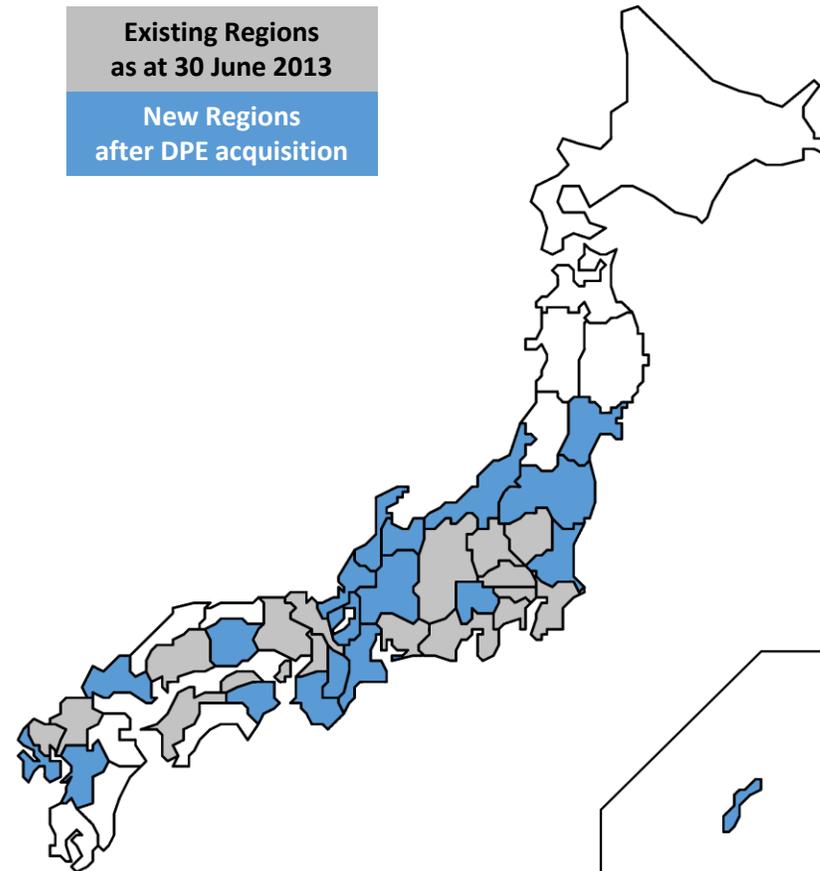


## Store Locations as at 30 June 2013



- Franchise system opportunity 
  - Franchisees now account for 43% of our network
  - Multi-unit franchisees are now developing future franchisees
- New store openings 
  - Plans to rollout 40-50 new stores per year in near term
- Metro vs regional opportunity 
- In-fill stores in current regions 

## Store Location Expansion

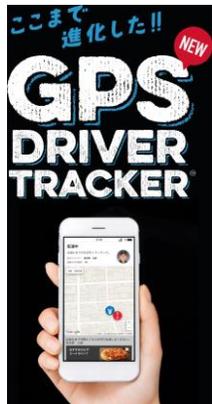
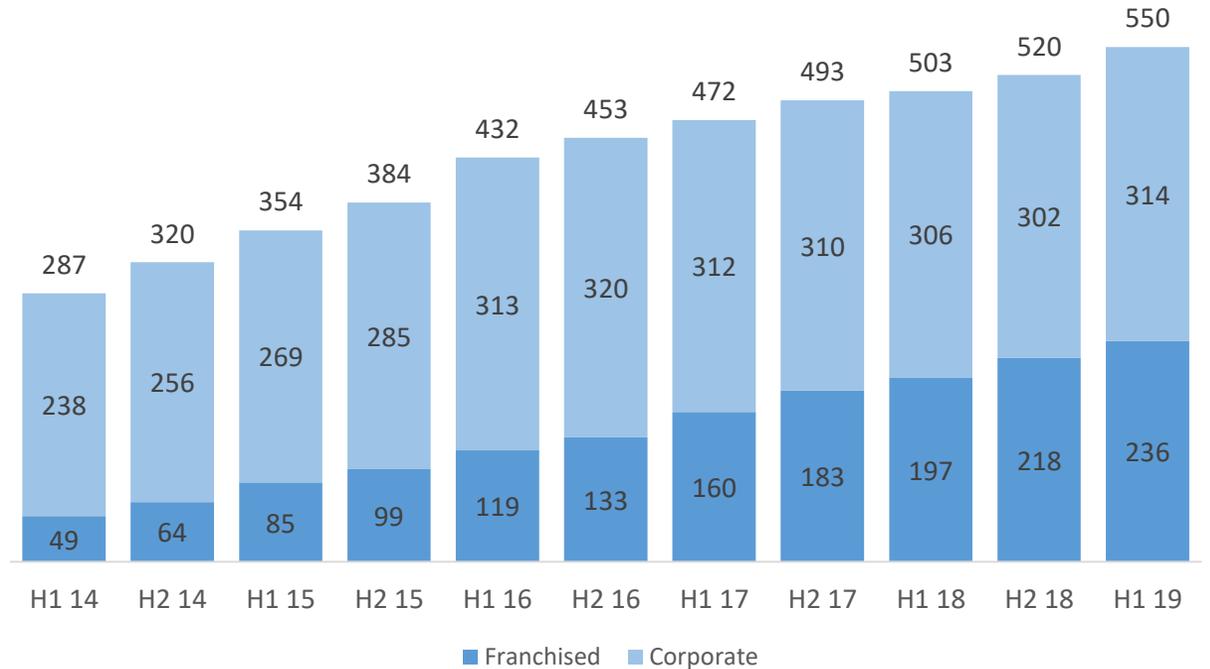


# We've delivered

- Planned store relocations
- Develop the carry-out offering
- Leverage DPE's digital expertise to accelerate customer engagement and sales growth
- Growing our franchisee base



Store Count Growth



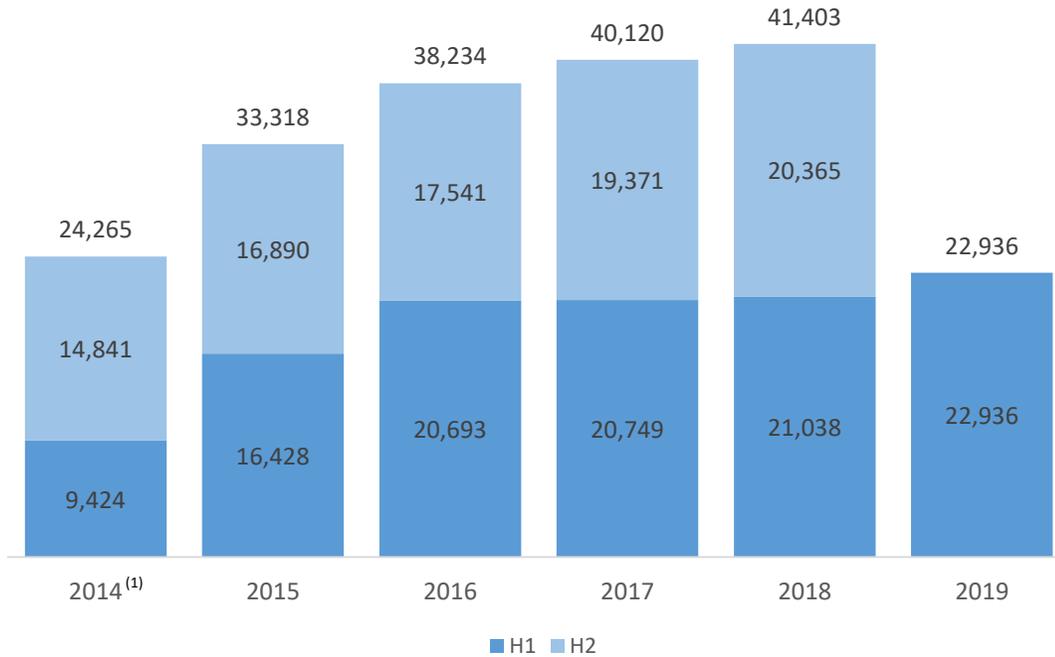
**Eric Tai**  
**Executive Vice President - CFO**



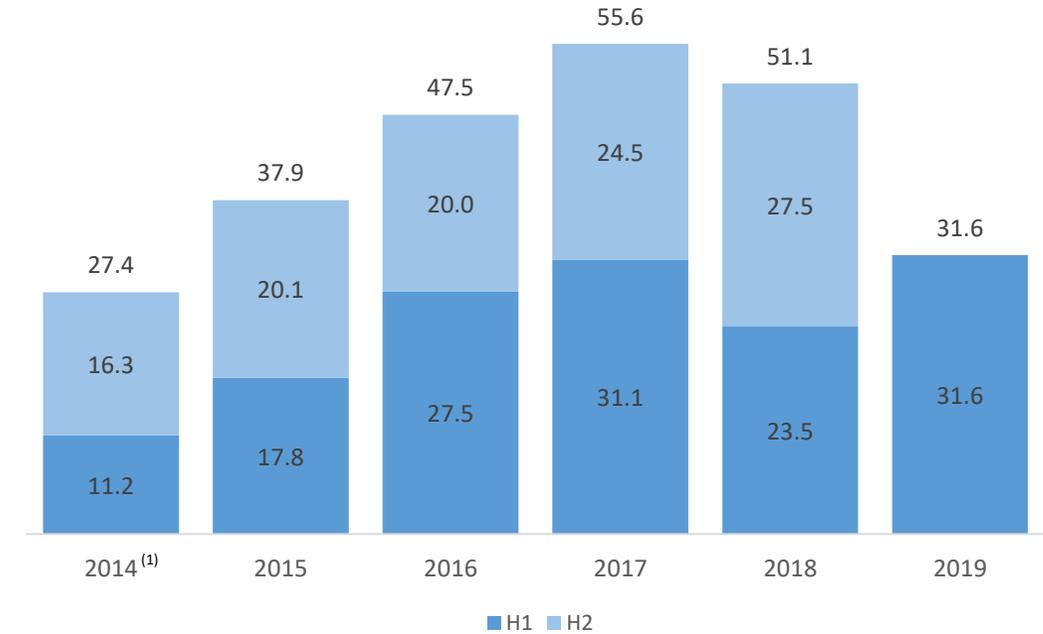
# Domino's Pizza Japan has delivered strong growth



Japan Network Sales (JPY in Millions)



Japan Underlying EBITDA (AUD in Millions)

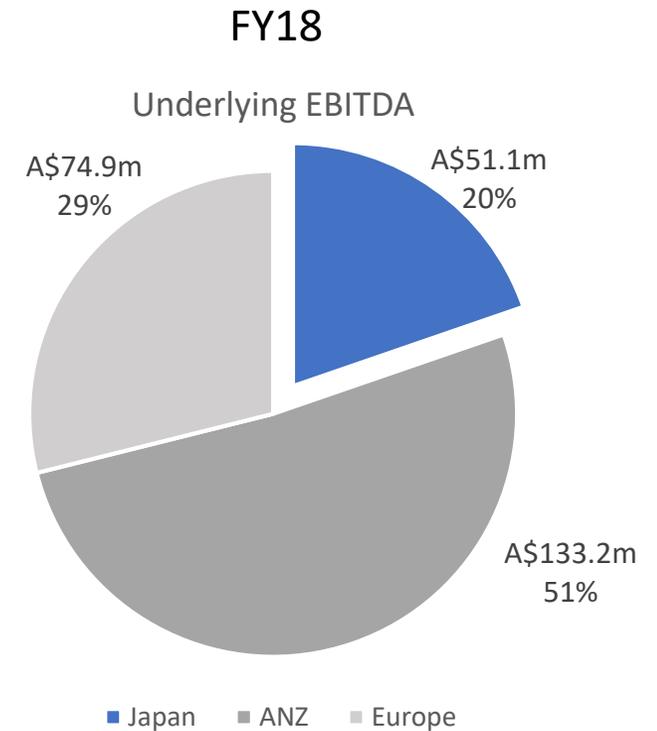
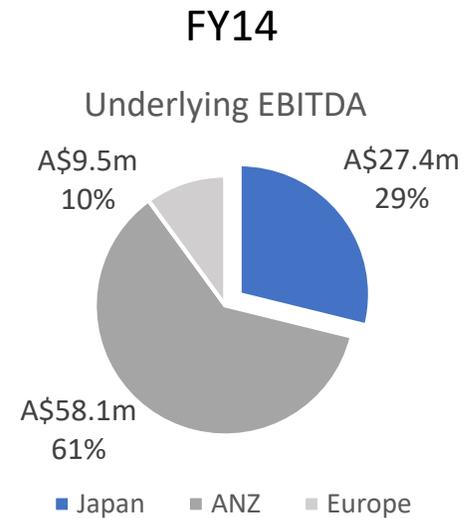
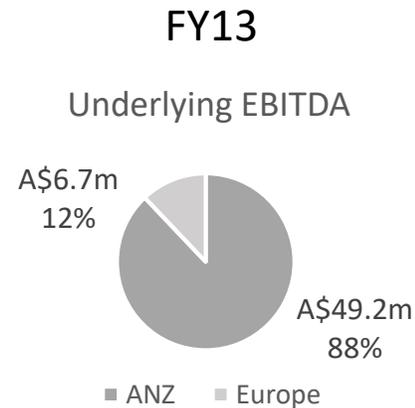


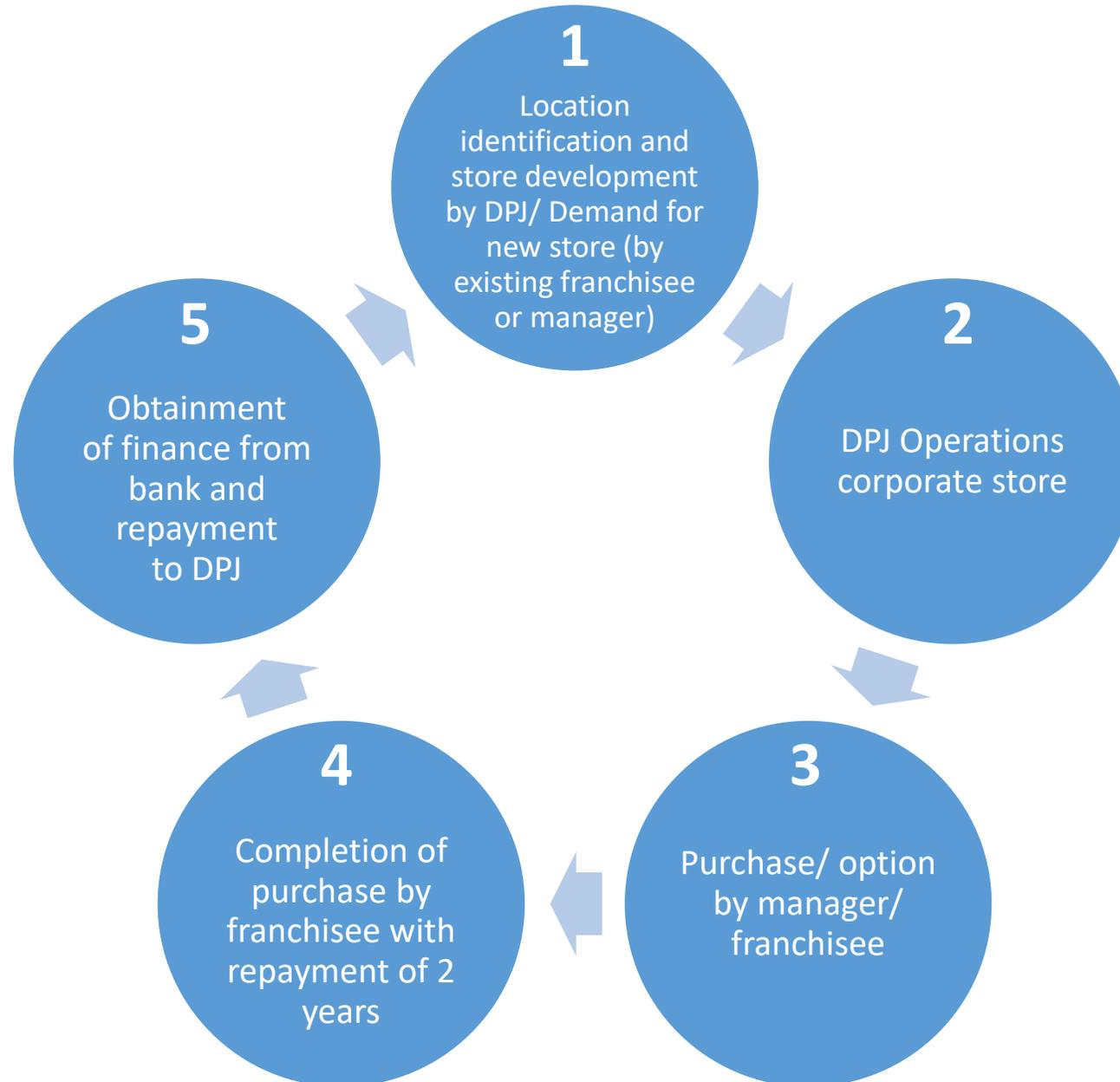
- Network sales: +14.3% CAGR (2014-2018), +19.5% for CAGR of H1 (2014-2019)
- EBITDA: +16.8% CAGR (2014-2018), +23.1% for CAGR of H1 (2014-2019)

Note: (1) Network sales and EBITDA in 2014 only relate to the DPE ownership period.

# A key pillar for Domino's Pizza Enterprises

- The acquisition of Domino's Pizza Japan provided an immediate third profit driver within our business
- Domino's Pizza Japan FY18 EBITDA exceeds ANZ EBITDA in FY13 (DPJ FY18 A\$51.1m vs ANZ FY13 A\$49.2m)
- Domino's Pizza Japan now contributes 20% of Domino's Pizza Enterprises EBITDA
- Japan continues to be a key source of future growth





**Todd Reilly**  
**Chief Marketing Officer**



**Satoshi Ohata**  
Domino's Japan

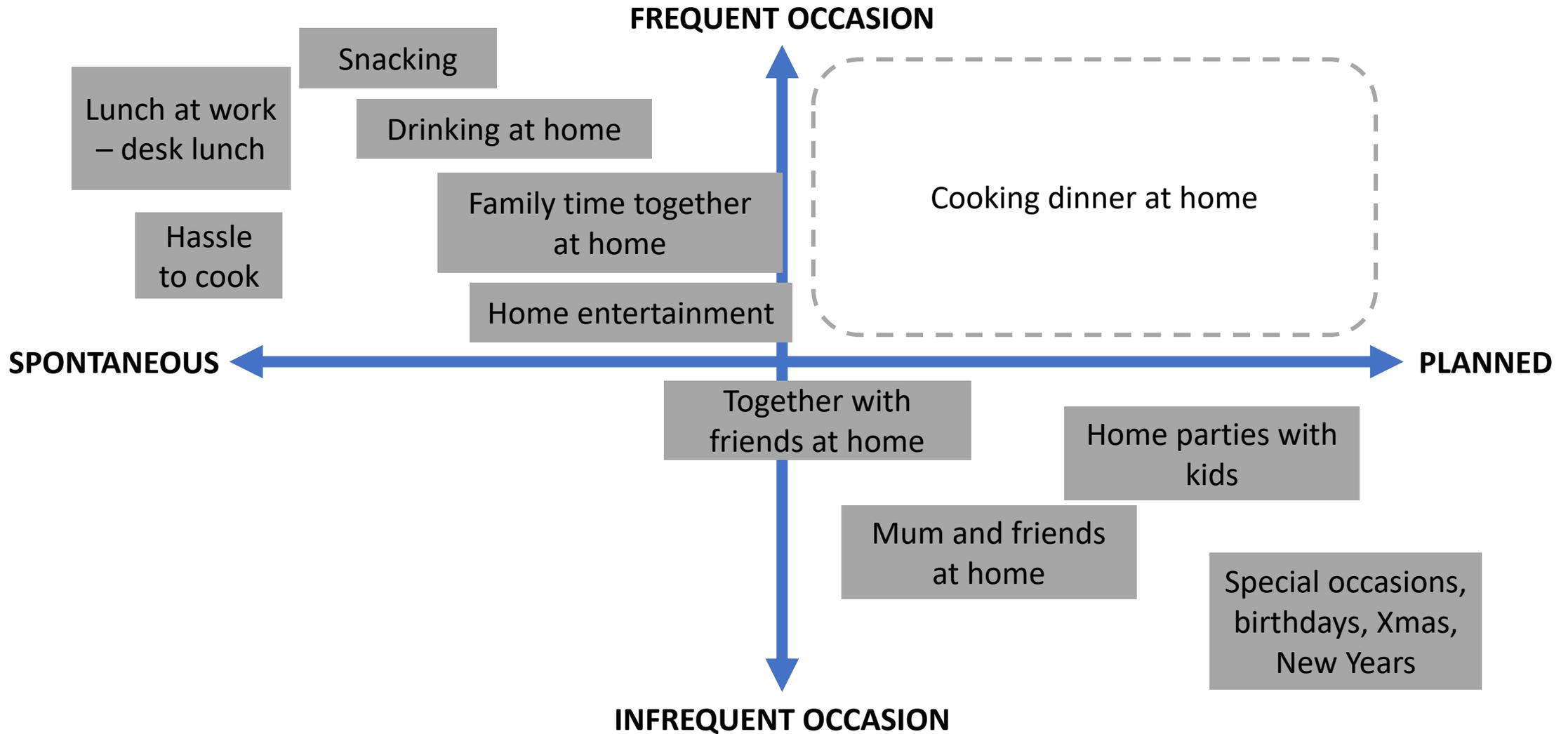


- Pizza consumption in Japan – carry-out and delivery
- Customer insights – including digital analytics
- The marketing landscape for the pizza category
- Menu innovations
- Marketing changes to capture market share

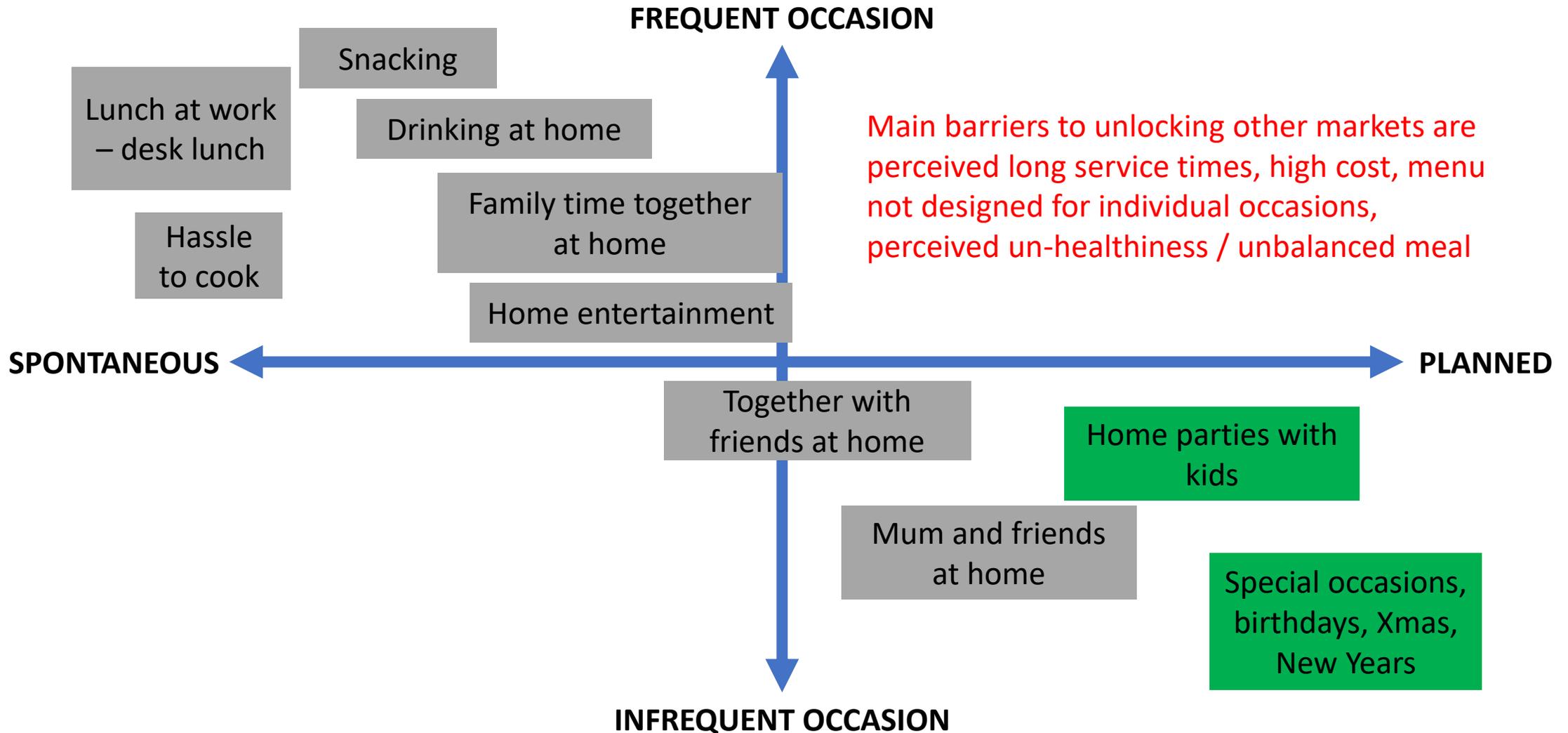
Our history

Our approach

Our future



## Pizza is only taking a small slice of the market



## Differences to the ANZ market

- Perception of pizza as a one-off / celebratory purchase
- Significantly lower frequency of purchase
- This presents both a challenge and an opportunity

## What's the same?

- PSIT: Product/ Service/ Image/ Technology – the core drivers of our business
- Customers in all of our markets appreciate taste, value, and convenience
- Data driven insight

- Historically menu offerings have only catered for the one-off/celebration





焼きたてのピザに時間は敵だ。

みんなでおしゃべりしながら  
20分以内  
+ ¥200で20分配達保証!

みんなで食べたかったら  
お持ち帰りで  
1枚買うと  
もう1枚無料  
BOGO

クワトロ・コケーココ

ドミノの感謝祭

6/2⑨-10⑩

デリバリー  
全品  
50% OFF

ご注文は  
ネットでも  
電話でも  
OK!!

NEW ドミノのオリジナル  
つけカレーパン  
おいしいスープをチキッ  
5/24 新登場

帰ってきた/  
ウルトラ盛  
4倍! チーズ  
こだわりチーズが4倍!  
期間限定! 5/28(月)~



がっちゃん 限定!!  
ピザラ限定!!  
スペシャルバック!! 販売中!!

テレビ番組6月5日(土) 19時30分  
6/5(土) 19時30分

ジョエル・ロブション  
Joël Robuchon  
1984年にミシュラン三つ星を当時史上最若で獲得。  
世紀最高の料理人と呼ばれ、フランス料理界を  
リードし続けています。世界の美食家からの称賛を  
一身に受け、11の年に5つ星を獲得。  
ミシュランガイドにて多くの星を獲得しており  
「世界で一番星を持つシェフ」として知られています。

NEW CM商品

絶品 グルメクォーター 25品 ¥2,280

PIZZA-LA × PUZZLE & DRAGONS  
ALL THE TASTES AND DRIZZLES YOU WANT ON A PIZZA.  
STRAIGHT FROM OUR OVEN TO YOUR DOOR!!

コラボピザ発売!



ソードアート・オンライン オルタナティブ  
ガンゲイル・オンライン 超豪華グッズが  
当たる!!

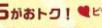
おいしいは、まだ!  
ピザハット・オンライン  
PIZZA HUT ONLINE

ピザハット・スクワッド・ジャム開幕  
[01] 2018.6.5(火) 21:00~ 7.8(日) 23:59  
[02] 2018.6.6(水) 11:00~

Pizza Hut  
ピザキャット! 店を  
宇宙に広めるにゃ☆

#スペースピザキャット

参加するとビッグなプレゼントが!

期間限定 毎日おトク!  創業感謝祭

創業日6/15がおトク!  ピザハット60

39% OFF

ピザハット・ベスト4が  
期間限定! スペシャルプライス! 7/1まで

60% OFF

WEB限定 前日までのお持ち帰り予約でおトク!  
ピザハット4品

- We are adding a barbell strategy, with two new ranges to target competitor market share



- Previous approach – high tarps, not food focused



A new approach to marketing



Michael Dobson  
Sunnybank Domino's

**Josh Kilimnik**  
**CEO and President, Domino's Pizza Japan**

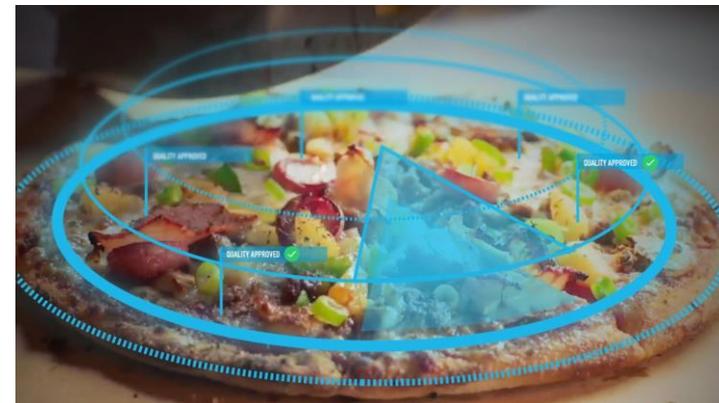
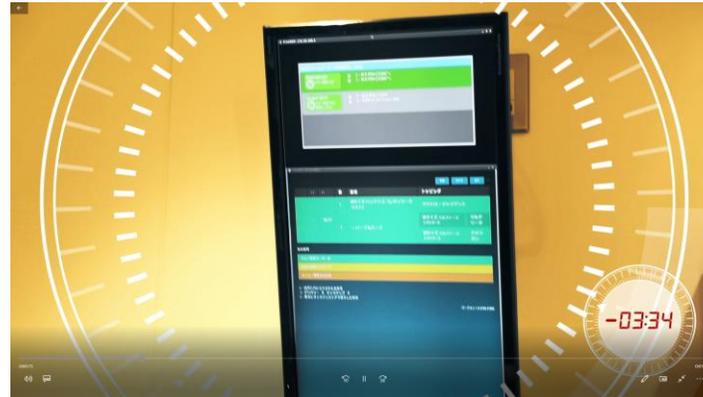


Domino's Pizza Japan is now using DPE's proprietary OneDigital platform for online ordering

This allows the implementation of customer-focused initiatives developed in our other markets, including:

- GPS Driver Tracker
- 15/20 minute mission
- Offers App
- Predictive ordering

A roadmap of other technology innovations for the local market is in place

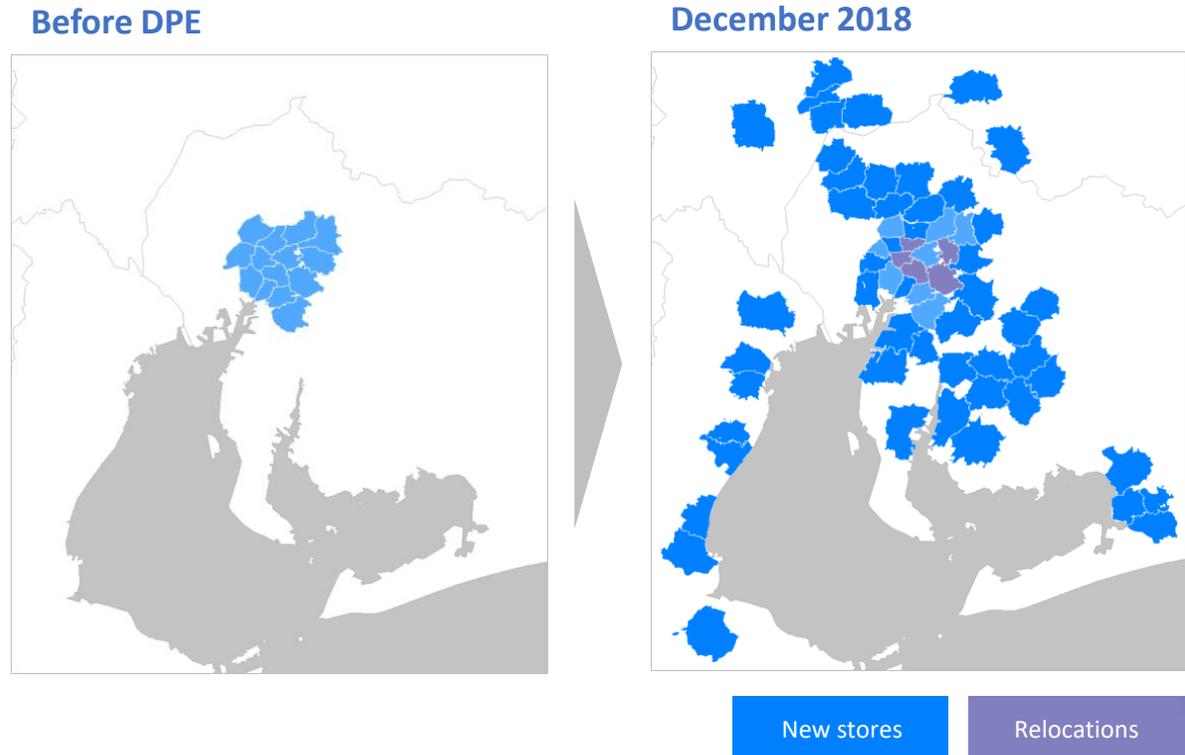


- National program to drive Project 3TEN
- Roadshow in 2018
- Phase 1/2/3
- Records set include the world records in the system; 2min 38 sec delivery time



- Dominant #1
  - We still have a long runway to open new stores, to be the leader of the internet of food in every neighbourhood
- 1000 stores by 2025-2028
  - A review of our market position and customer demand has lifted Japan's Future Outlook to 1,000 stores (+150 stores) by 2025-2028, up from 850 stores by 2025

## Example of Store Development Strategy



Our history

Our approach

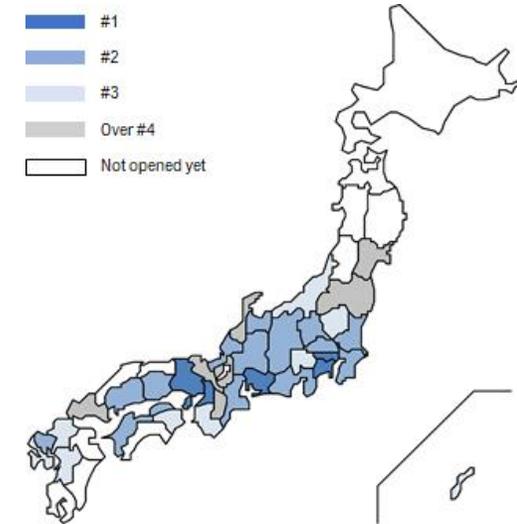
Our future

# How will we get there?

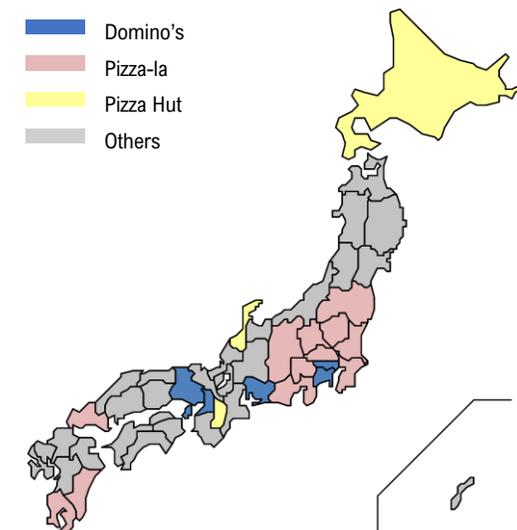
Domino's has new markets that have not yet been entered, or are under penetrated. DPJ will grow through:

- Opening new markets
- Opening kitchens closer to our customers
- Building on the customer insights, new menu offerings and new marketing approach outlined here
- Targeting more occasions
- Capitalising on the real estate opportunity available for new store builds
- Becoming an employer of choice for team members, including store managers
- Expanding our franchisee base – developing new franchisees, and multi-unit franchisees

## Domino's Market Position by Market



## #1 Brand by Market



## 7 Core Vision Drivers

-  High Volume Mentality
-  Fostering the Entrepreneurship spirit – both Franc and Corp
-  Project 3-10
-  3 Year Payback
-  To be the Customer Champion – as measured by customer count growth
-  Invest in being a Good Citizen
-  A Home where the extraordinary thrive



# Q&A

