

Domino's Pizza, Inc. (DPZ)

\$416.82 (Stock Price as of 12/31/2025)

Price Target (6-12 Months): **\$442.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 09/25/23)

Prior Recommendation: Outperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: B

Value: B

Growth: B

Momentum: F

Summary

Shares of Domino's have outperformed the industry in the past year. The company is benefiting from a solid digital ordering system, the Hungry for MORE strategy and menu additions. The "Best Deal Ever" promotion and Domino's Rewards program have been instrumental in driving U.S. same-store sales and boosting customer engagement. Also, a focus on the DoorDash partnership bodes well. It remains optimistic about the incrementality of DoorDash sales throughout fiscal 2025. However, an uncertain macro environment and high costs are woes. Management highlighted intensifying macro headwinds entering the fourth quarter of fiscal 2025, including slower restaurant traffic and weaker discretionary spending. Earnings estimates for fiscal 2026 have remained unchanged in the past 30 days, limiting the upside potential of the stock.

Data Overview

52 Week High-Low	\$500.55 - \$392.89
20 Day Average Volume (sh)	518,323
Market Cap	\$14.3 B
YTD Price Change	0.5%
Beta	1.14
Dividend / Div Yld	\$6.96 / 1.7%
Industry	Retail - Restaurants
Zacks Industry Rank	Bottom 13% (212 out of 243)

Last EPS Surprise	3.0%
Last Sales Surprise	0.7%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/23/2026
Earnings ESP	0.0%

P/E TTM	24.7
P/E F1	23.8
PEG F1	3.1
P/S TTM	2.9

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1,175 E	1,206 E	1,201 E	1,618 E	5,199 E
2025	1,112 A	1,145 A	1,147 A	1,521 E	4,925 E
2024	1,085 A	1,098 A	1,080 A	1,444 A	4,706 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	4.34 E	4.33 E	4.50 E	6.14 E	19.32 E
2025	4.33 A	3.81 A	4.08 A	5.31 E	17.53 E
2024	3.58 A	4.03 A	4.19 A	4.89 A	16.69 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/31/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/30/2025.

Overview

Founded in 1960, Domino's Pizza Inc., which delivers pizzas under the Domino's Pizza brand, is a top player in the Quick-Service Restaurant or QSR Pizza category.

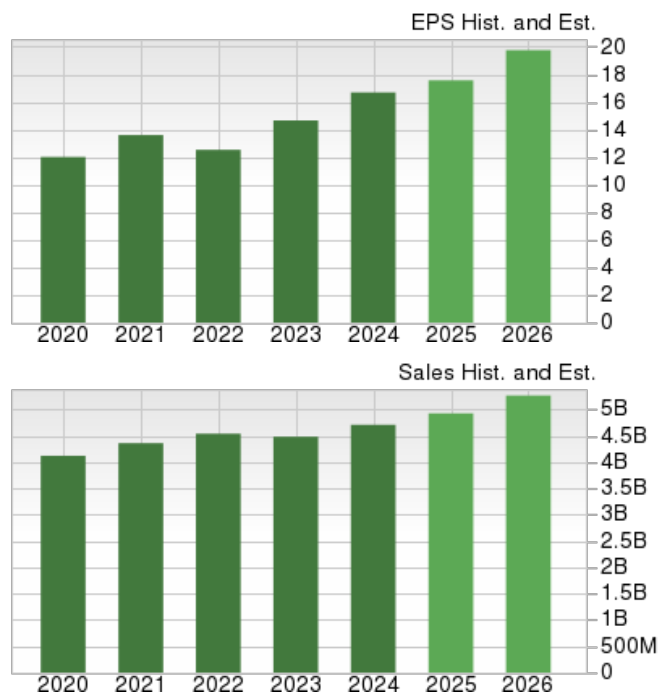
Through its subsidiaries, the company operates as a pizza delivery company in the United States and internationally, with 21,300 locations in more than 90 markets.

The company operates and reports through the following three business segments: U.S. stores, international franchises and supply chain.

U.S. stores (33% to total revenues in fiscal 2024): The segment primarily consists of franchised stores but also has company-owned stores, which are used as sites for the promotion of new products and improvement of operational efficiencies. As of Dec. 29, 2024, the company owned and operated 6,722 stores across the United States.

International franchise (7%): Domino's has a network of franchised stores in more than 90 international markets. As of Dec. 29, 2024, the company had 14,352 international franchise stores. Revenues in the segment benefited from royalty payments generated by retail sales from franchised stores. Most of the company's international stores operate under master franchise agreements.

Supply chain (60%): The segment operates 22 regional dough manufacturing and food supply chain centers in the United States. It also has a center each for thin crust manufacturing, vegetable processing and providing equipment and supplies to franchised and company-owned stores.



As of 12/30/2025



As of 12/31/2025

Reasons To Buy:

- ▲ **Strong Brand Image:** The pizza category is a fast-growing segment in the U.S. quick-service restaurant industry and Domino's is one of the largest pizza chains globally. In the United States, the company is the market leader in the delivery segment. Domino's strong brand positioning through its versatile promotions portrays it as a brand producing fresh, high-quality pizzas that are delivered on time.
- ▲ **Solid International Expansion:** Domino's remains committed to accelerating its presence in high-growth international markets to boost business. The company's international growth continues to be strong and diversified across markets, courtesy of exceptional unit-level economics.

Domino's remains optimistic about its international unit development strategy, particularly outside of the DPE (Domino's Pizza Enterprises) markets. Growth in key regions such as India and China is proceeding in line with expectations. Jubilant FoodWorks, which operates the Domino's brand in India, is targeting the opening of approximately 250 stores in its current fiscal year, while China is planning around 300 new stores.

- ▲ **Franchising Strategy Safeguards Earnings:** Domino's has a vast franchise network, both domestically and internationally. Reducing its ownership of restaurants and focusing more on re-franchising minimizes the company's capital requirements and facilitates earnings per share growth and ROE expansion.

In the fiscal third quarter, Domino's emphasized the continued strength of its franchising strategy, which remains central to the company's earnings resilience and long-term expansion goals. The U.S. system grew by 29 net new stores, bringing the total to more than 7,090 units, with management reaffirming its visibility toward its 7,700-store target by 2028. The company highlighted growing participation from smaller franchisees alongside established multi-unit operators — a deliberate approach aimed at maintaining diversity within its network. This balanced franchise structure minimizes concentration risk, promotes operational flexibility and supports market-level agility, ensuring consistent brand execution across geographies.

Management reiterated that the foundation of Domino's success lies in its strong franchise relationships and superior unit economics. Leveraging its scale, supply-chain efficiencies and operational technology platforms such as Dom.OS, the company enables franchisees to deliver promotions like the "Best Deal Ever" profitably and sustainably. Over the past decade, Domino's has opened nearly as many stores as key pizza competitors have closed, underscoring the durability of its franchise-driven growth model. With robust economics and a collaborative franchisor-franchisee framework, Domino's remains well-positioned to generate steady royalty income, safeguard earnings through economic cycles and create enduring value for both its operators and shareholders.

- ▲ **Focus on Hungry for MORE Strategy:** In 2023, Domino's announced its Hungry for MORE strategy, which primarily focuses on generating MORE sales, MORE stores, and MORE profits. The strategic imperatives of this strategy include showcasing the most delicious food (M), driving operational excellence (O), delivering renowned value (R), and engaging best-in-class franchisees (E).

Domino's continues to anchor its growth on the "Hungry for MORE" strategy, which emphasizes driving more sales, more stores and more profits through a disciplined blend of value, innovation and operational excellence. During the fiscal third quarter, management credited the strategy for the company's broad-based strength across both carryout and delivery channels, as well as positive order count growth that led to meaningful market share gains. The success of key initiatives such as the "Best Deal Ever" promotion and the Parmesan Stuffed Crust Pizza launch underscored the strategy's effectiveness in boosting transaction volumes while supporting franchisee profitability. The brand's renewed focus on "innovation with intent" — balancing new menu news with simplification and efficiency — reinforced its ability to deliver sustained value to both customers and operators.

- ▲ **Initiatives to Boost Sales:** Domino's has actively pursued various initiatives to drive sales and elevate the customer experience. The company continues to roll out limited-time offers and has made significant progress in remodeling its stores to the modern "Pizza Theater" design. This format enhances in-store experiences with open kitchen views, digital carryout order tracking, and a more comfortable ambiance, helping to boost sales across multiple quarters. Domino's is also expanding its carryout and delivery services, with a particular focus on its Car Side Delivery 2-Minute Guarantee, which has been well-received by franchisees. To further encourage repeat business, the company offers incentives like \$3 carryout tips in the form of coupons for future purchases and has adjusted its carryout mix-and-match deal to balance customer value with franchisee profitability.

Another key growth driver for Domino's has been its revamped loyalty program, Domino's Rewards. The redesign of Domino's Rewards is delivering tangible performance benefits, particularly in the carryout segment. By enabling lower redemption thresholds and increased relevance to light and low-income users, the program is expanding customer acquisition and frequency. The platform is expected to be a multi-year comp driver and a foundational pillar of Domino's value ecosystem.

- ▲ **Partnership With Delivery Channels:** To drive sales, Domino's entered into a global agreement with Uber Technologies in fiscal 2023. This partnership permits U.S. customers to order Domino's products with the help of Uber Eats and Postmates apps. The company rolled out this initiative integration and has witnessed a notable response since. Both Domino's and Uber Eats have 27 international markets in common. This partnership was considered because Domino's believed this could help increase orders from Uber Eats to 70% of its stores around the globe. U.S. Domino's customers can now place orders on the Uber Eats platform, which will be delivered by Domino's.

Domino's strengthened its delivery ecosystem in the third quarter of fiscal 2025 through the full rollout of its partnership with DoorDash, marking a significant milestone in its aggregator strategy. Management expressed optimism about the long-term potential of these delivery

Domino's' Hungry for MORE strategy, solid digital ordering system, robust international expansion, and other sales initiatives continue to foster its growth.

channel collaborations, emphasizing that the integration is expected to drive incremental sales and expand customer reach. The company highlighted that awareness and marketing efforts around DoorDash are still in the early stages, leaving considerable room for sustained growth. This partnership, combined with existing relationships such as Uber Eats, is expected to meaningfully enhance U.S. comparable sales in the coming quarters, particularly as Domino's leverages its scale, operational efficiency and pricing discipline to ensure profitability across all delivery channels.

▲ **Emphasis on Menu Additions:** Domino's continued to emphasize strategic menu innovation during the quarter, introducing new products designed to enhance customer appeal and operational efficiency. During the fiscal third quarter, the company reported a strong performance of the Parmesan Stuffed Crust Pizza, exceeding expectations across sales mix, new customer acquisition and franchisee profitability. Additionally, the introduction of garlic and cinnamon Bread Bites refreshed an existing platform while simplifying kitchen operations by replacing the more complex bread twists. These additions reflect the company's "innovation with intent" approach, balancing consumer excitement with sustainable execution for long-term growth.

▲ **Digitalization to Drive Growth:** Domino's is investing heavily in technology-driven initiatives like digital ordering to bolster sales. Various digital enhancements in terms of ordering, selecting service methods, paying, and tipping were implemented to enhance the consumer experience. It continues to innovate aggressively across all aspects of its business — including GPS, e-bikes, AI in-store technology, great food, and an evolving digital experience.

Domino's continues to advance its digital transformation as a core growth catalyst. The company has completed upgrades to its e-commerce infrastructure, rolling out a faster, more efficient website and mobile web experience that enhances conversion rates, particularly during checkout. Mobile app upgrades are expected to follow by 2025-end, streamlining customer engagement. Management emphasized that the platform improvements are designed to drive seamless ordering, better personalization and higher frequency among loyalty members.

In tandem, Domino's ongoing integration with major aggregators such as DoorDash and Uber Eats is expanding its digital delivery footprint and helping the brand capture incremental demand. These initiatives, underpinned by Domino's data-driven operational systems (Dom.OS), are expected to strengthen digital sales, bolster franchisee profitability and position the company for sustained long-term growth in an increasingly tech-driven quick-service environment.

Reasons To Sell:

- ▼ **High Costs Ail:** Domino's continues to face margin constraints stemming from elevated cost structures across key areas. During the third quarter of fiscal 2025, management noted that inflationary pressures in food and labor persisted, while investments in technology and digital upgrades added to operating expenses. Although supply-chain efficiencies and scale advantages supported profit growth, these benefits were partly offset by higher input and financing costs. The company remains focused on disciplined cost management and sustaining strong franchisee economics, even as the broader macro environment poses ongoing challenges to margin performance. Our model predicts total costs of sales in fiscal 2025 to rise 4% year over year to \$2.97 billion.
- ▼ **Macroeconomic Pressures:** Management highlighted intensifying macro headwinds entering the fourth quarter of fiscal 2025, including slower restaurant traffic and weaker discretionary spending. Prolonged consumer softness could constrain near-term same-store sales, especially in delivery, despite promotional tailwinds. Although Domino's is expected to continue gaining share, broader category pressure may limit full-year comp growth to the lower end of its 3% guidance.
- ▼ **Slower-Than-Targeted International Unit Growth:** While markets such as India and China remain robust, international results continue to be tempered by slower unit expansion from Domino's Pizza Enterprises (DPE), particularly in France and Japan. With 200 DPE store closures in early 2025, international growth could remain below the long-term 975 annual net store target. Future performance hinges on DPE's operational recovery and macro stability in key regions.
- ▼ **Competitive Discounting and Margin Sensitivity:** Aggressive discounting across the broader quick-service industry — particularly from third-party delivery platforms — poses pricing and margin risks. Although Domino's "renowned value" strategy supports volume and profitability, sustained competitive promotions could pressure average ticket size and store-level margins, requiring careful balance between affordability and franchisee economics.
- ▼ **Industry Susceptible to Consumer Discretionary Spending:** Domino's operates in the retail restaurant space that is highly dependent on consumer discretionary spending. Consumers' propensity to spend largely depends on the overall macroeconomic scenario. Although higher disposable income and increased wages are favoring the industry right now, it can change with the slightest disruption in the economy. The company, therefore, is highly vulnerable to the inconsistent nature of consumer discretionary spending.

Inflationary pressures and a tricky consumer-spending environment in the U.S. restaurant space remain potent headwinds.

Last Earnings Report

Domino's Q3 Earnings & Revenues Beat Estimates

Domino's reported third-quarter fiscal 2025 results with earnings and revenues beating the Zacks Consensus Estimate. The top line increased year over year, while the bottom line fell from the prior-year quarter's figure.

In the fiscal third quarter, Domino's achieved positive order growth in the United States, supported by the success of its "Best Deal Ever" promotion and innovation around stuffed-crust pizza. These initiatives fueled strong momentum across both delivery and carryout channels. Management emphasized that the company's strategic consistency and execution excellence position it to capture additional QSR pizza market share globally in 2025 and beyond, while expanding long-term value for franchisees and shareholders.

FY Quarter Ending **12/31/2025**

Earnings Reporting Date	Oct 14, 2025
Sales Surprise	0.68%
EPS Surprise	3.03%
Quarterly EPS	4.08
Annual EPS (TTM)	17.11

DPZ's Q3 Earnings & Revenue Discussion

In the quarter under discussion, Domino's reported adjusted earnings per share (EPS) of \$4.08, beating the Zacks Consensus Estimate of \$3.99. The bottom line declined 2.6% from \$4.19 reported in the year-ago quarter.

Revenues of \$1,147.1 million beat the consensus mark of \$1,139 million. Moreover, the top line increased 6.2% on a year-over-year basis. This upside is driven by strong contributions from U.S. franchise royalties and fees and higher supply-chain revenues.

In third-quarter fiscal 2025, Domino's had 214 net store openings.

DPZ's Other Metrics

Global retail sales (excluding foreign currency impact) rose 6.3% on a year-over-year basis. This upside was driven by a year-over-year increase in international (5.7%) and U.S. store sales (7%).

Comps at Domino's domestic stores (including company-owned and franchise stores) rose 5.2% year over year. We estimated the metric to increase 6.4% year over year.

At domestic company-owned stores, Domino's comps increased 3.4% compared with the 3.1% rise reported a year ago. We estimated the metric to increase 5.1% year over year.

Domestic franchise store comps rose 5.3% compared with a 3% increase reported in the prior-year quarter. We estimated the metric to increase 6.5% year over year.

Comps at international stores, excluding foreign currency translation, rose 1.7% compared with a 0.8% improvement reported in the prior-year quarter. We estimated the metric to increase 1% year over year.

DPZ's Q3 Margins

In the fiscal third quarter, Domino's gross margin expanded 90 basis points (bps) year over year to 40.1%. However, the U.S. company-owned store gross margin contracted 50 bps year over year to 16.3%. This downside can be attributed to the increase in the company's food basket pricing to stores and higher wage costs. However, this was partially offset by higher sales leverage.

Balance Sheet of DPZ

As of Sept. 7, 2025, cash and cash equivalents totaled \$139.7 million compared with \$186.1 million as of Dec. 29, 2024. Long-term debt (less current portion) at the end of the fiscal third quarter totaled \$4.81 billion compared with \$3.83 billion reported in the previous quarter. Inventory amounted to \$71.2 million compared with \$70.9 million as of Dec. 31, 2024.

Capital expenditure at the end of the fiscal third quarter totaled \$56.7 million, down from \$70.8 million reported in the prior-year quarter.

During the reported quarter, the company repurchased 165,778 shares for an aggregated cost of \$74.7 million. As of Sept. 7, 2025, DPZ stated the availability of \$539.7 million under its repurchase program.

Management declared a cash dividend of \$1.74 per share. The dividend will be paid on Dec. 26, 2025, to its shareholders of record as of Dec. 15.

Valuation

Domino's shares are down 8% in the past six-months period, but up 0.3% in the trailing 12-month period. Stocks in the Zacks sub-industry are down 8.1% but the Zacks Retail-Wholesale sector is up 3.1%, in the past six-months period. Over the past year, the Zacks sub-industry is down 6.1% but the sector is up 7.4%.

The S&P 500 index is up 14.6% in the past six-months period and 20.2% in the past year.

The stock is currently trading at 21.33X forward 12-month earnings, which compares to 24.12X for the Zacks sub-industry, 24.8X for the Zacks sector and 23.44X for the S&P 500 index.

Over the past five years, the stock has traded as high as 40.6X and as low as 20.36X, with a 5-year median of 26.09X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$442 price target reflects 22.39X forward 12-months earnings.

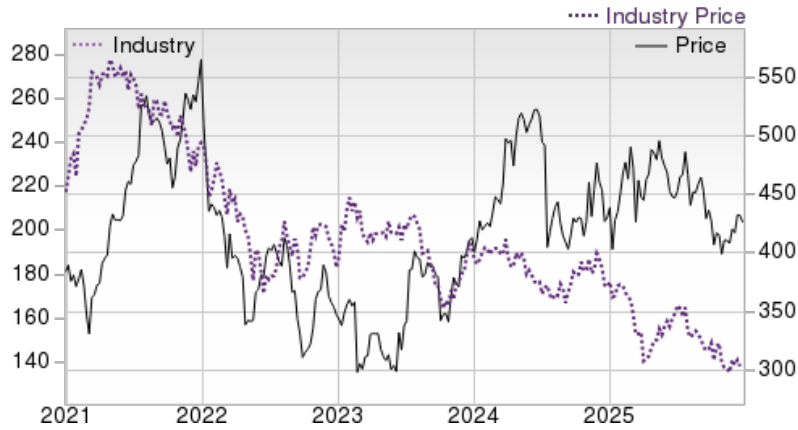
The table below shows summary valuation data for DPZ.

Valuation Multiples - DPZ					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	21.33	24.12	24.8	23.44
	5-Year High	40.6	30.95	34.42	23.8
	5-Year Low	20.36	22.08	21.48	15.74
	5-Year Median	26.09	25.19	24.78	21.23
P/S F12M	Current	2.71	3.31	1.64	5.31
	5-Year High	4.66	5.15	2.05	5.49
	5-Year Low	2.17	3.12	1.2	3.82
	5-Year Median	3.02	3.88	1.54	5.04
EV/EBITDA TTM	Current	18.25	17.85	13.33	18.87
	5-Year High	29.28	32.21	26.92	22.34
	5-Year Low	17.24	15.53	11.23	13.86
	5-Year Median	21.26	18.48	14.41	17.93

As of 12/29/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 13% (212 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Arcos Dorados Holdin...(ARCO)	Neutral	3
Bloomin' Brands, Inc...(BLMN)	Neutral	3
The Cheesecake Facto...(CAKE)	Neutral	3
Cracker Barrel Old C...(CBRL)	Neutral	4
Brinker Internationa...(EAT)	Neutral	2
Texas Roadhouse, Inc...(TXRH)	Underperform	5
Mitchells & Butlers ...(MBPFF)	NA	
SSP Group (SSPPF)	NA	

Industry Comparison ⁽¹⁾ Industry: Retail - Restaurants				Industry Peers	
	DPZ	X Industry	S&P 500	ARCO	EAT
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	2
VGM Score	B	-	-	B	A
Market Cap	14.26 B	0.00 M	39.51 B	1.54 B	6.34 B
# of Analysts	8		22	3	7
Dividend Yield	1.65%	%	1.42%	3.29%	0.00%
Value Score	B	-	-	A	A
Cash/Price	0.02	NA	0.04	0.17	0.01
EV/EBITDA	18.35	NA	14.63	5.21	9.54
PEG Ratio	3.13	NA	2.21	2.48	0.98
Price/Book (P/B)	NA	NA	3.34	2.06	18.45
Price/Cash Flow (P/CF)	21.25	NA	15.24	4.74	10.35
P/E (F1)	23.78	NA	20.05	10.08	13.96
Price/Sales (P/S)	2.94	NA	3.14	0.34	1.13
Earnings Yield	4.16%	NA%	4.94%	9.88%	7.16%
Debt/Equity	-1.21	NA	0.57	1.32	1.53
Cash Flow (\$/share)	19.61	NA	8.98	1.55	13.87
Growth Score	B	-	-	D	A
Hist. EPS Growth (3-5 yrs)	8.92%	NA%	8.21%	26.80%	45.76%
Proj. EPS Growth (F1/F0)	5.03%	NA%	0.00%	1.41%	14.94%
Curr. Cash Flow Growth	11.88%	NA%	7.00%	-3.28%	72.09%
Hist. Cash Flow Growth (3-5 yrs)	7.77%	NA%	7.48%	9.93%	21.92%
Current Ratio	1.61	NA	1.18	0.89	0.35
Debt/Capital	NA%	NA%	38.15%	56.90%	60.46%
Net Margin	12.16%	NA%	12.77%	5.39%	7.94%
Return on Equity	-14.91%	NA%	17.03%	20.42%	164.66%
Sales/Assets	2.74	NA	0.53	1.37	2.13
Proj. Sales Growth (F1/F0)	4.70%	%	5.85%	3.30%	6.50%
Momentum Score	F	-	-	B	C
Daily Price Chg	-1.21%	NA%	-0.74%	0.69%	0.52%
1 Week Price Chg	-1.38%	NA%	-0.20%	2.36%	0.11%
4 Week Price Chg	-3.44%	NA%	0.98%	-4.80%	1.02%
12 Week Price Chg	0.80%	NA%	2.71%	7.47%	17.75%
52 Week Price Chg	-0.70%	NA%	17.25%	0.82%	8.49%
20 Day Average Volume	518,323	0	2,520,743	761,574	1,091,503
(F1) EPS Est 1 week change	0.00%	NA%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.00%	NA%	0.00%	33.95%	0.28%
(F1) EPS Est 12 week change	-0.79%	NA%	0.69%	21.57%	-0.62%
(Q1) EPS Est Mthly Chg	0.00%	NA%	0.00%	0.00%	0.63%

Analyst Earnings Model⁽²⁾

Domino's Pizza, Inc. (DPZ)

In \$MM, except per share data

	2022A	2023A	2024A	2025E			2026E			2027E				
	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	7-Sep-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	Dec-26	Dec-27
Income Statement														
Total Revenue	\$4,537.2	\$4,479.4	\$4,706.4	\$1,112.1	\$1,145.1	\$1,147.1	\$1,520.9	\$4,925.2	\$1,174.8	\$1,205.7	\$1,200.6	\$1,618.1	\$5,199.1	\$5,474.4
YoY % Chng	4.1%	(1.3%)	5.1%	2.5%	4.3%	6.2%	5.3%	4.6%	5.6%	5.3%	4.7%	6.4%	5.6%	5.3%
Total Cost of Sales	\$2,888.6	\$2,751.9	\$2,857.9	\$668.9	\$684.2	\$687.2	\$932.2	\$2,972.5	\$724.0	\$735.1	\$742.4	\$1,004.1	\$3,205.5	\$3,367.9
YoY % Chng	8.2%	(4.7%)	3.9%	0.9%	3.6%	4.7%	6.2%	4.0%	8.2%	7.4%	8.0%	7.7%	7.8%	5.1%
Gross Profit	\$1,648.6	\$1,727.4	\$1,848.5	\$443.1	\$461.0	\$459.9	\$588.7	\$1,952.7	\$450.8	\$470.6	\$458.2	\$614.0	\$1,993.6	\$2,106.5
YoY % Chng	(2.3%)	4.8%	7.0%	5.0%	5.5%	8.5%	4.0%	5.6%	1.7%	2.1%	(0.4%)	4.3%	2.1%	5.7%
General and Administrative Expense	\$416.5	\$434.6	\$459.5	\$109.1	\$107.6	\$105.1	\$144.3	\$466.1	\$105.3	\$111.6	\$104.7	\$147.3	\$468.9	\$493.1
YoY % Chng	(2.8%)	4.3%	5.7%	8.0%	(7.2%)	1.1%	4.2%	1.4%	(3.5%)	3.7%	(0.4%)	2.1%	0.6%	5.2%
U.S. Franchise Advertising	\$485.3	\$473.2	\$509.9	\$124.0	\$132.2	\$131.6	\$153.6	\$541.4	\$123.2	\$127.9	\$121.1	\$161.1	\$533.4	\$541.6
YoY % Chng	1.2%	(2.5%)	7.7%	12.4%	5.8%	8.9%	(0.1%)	6.2%	(0.6%)	(3.2%)	(8.0%)	4.9%	(1.5%)	1.5%
Refinancing Gain	(\$21.2)	\$0.1	\$0.2	\$0.0	(\$3.9)	\$0.0	\$0.0	(\$3.9)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
YoY % Chng		100.7%	6.0%		(15,632.0%)			(2,557.6%)						
EBITDA	\$848.2	\$900.2	\$966.7	\$230.5	\$245.4	\$243.6	\$318.2	\$1,037.7	\$243.5	\$253.0	\$254.4	\$335.2	\$1,086.0	\$1,171.9
YoY % Chng	(0.6%)	6.1%	7.4%	0.1%	13.4%	10.9%	5.9%	7.3%	5.7%	3.1%	4.4%	5.3%	4.7%	7.9%
Depreciation & Amortization	\$80.3	\$80.6	\$87.7	\$20.4	\$20.4	\$20.4	\$27.5	\$88.6	\$21.3	\$21.9	\$21.9	\$29.6	\$94.7	\$100.1
YoY % Chng	10.0%	0.5%	8.8%	2.5%	0.0%	(1.6%)	2.7%	1.0%	4.6%	7.5%	7.4%	7.7%	6.9%	5.7%
Operating Income	\$767.9	\$819.5	\$879.0	\$210.1	\$225.0	\$223.2	\$290.8	\$949.1	\$222.2	\$231.1	\$232.4	\$305.6	\$991.3	\$1,071.9
YoY % Chng	(1.6%)	6.7%	7.3%	(0.2%)	14.8%	12.2%	6.3%	8.0%	5.8%	2.7%	4.2%	5.1%	4.5%	8.1%
Other Income	\$0.0	\$17.7	\$22.1	\$24.0	(\$16.0)	(\$3.0)	\$5.8	\$10.8	\$7.6	\$4.8	\$7.6	\$21.1	\$41.1	\$46.1
YoY % Chng		24.6%	22.8%	22.8%	(240.1%)	(111.5%)	80.7%	(51.0%)	(68.4%)	129.8%	353.1%	266.2%	280.4%	12.2%
Interest Income	\$3.2	\$11.7	\$17.0	\$3.9	\$3.8	\$4.1	\$4.1	\$15.9	\$4.0	\$4.0	\$4.0	\$4.0	\$15.9	\$15.9
YoY % Chng	816.5%	269.5%	45.7%	5.5%	(9.2%)	(6.4%)	(14.1%)	(6.6%)	0.7%	3.8%	(2.1%)	(2.1%)	0.0%	0.0%
Interest Expense	\$198.3	\$196.5	\$195.9	\$45.6	\$44.6	\$45.0	\$68.3	\$203.6	\$44.5	\$52.1	\$49.7	\$66.8	\$213.1	\$222.4
YoY % Chng	3.4%	(0.9%)	(0.3%)	(0.6%)	(0.2%)	0.6%	12.8%	3.9%	(2.3%)	16.6%	10.5%	(2.3%)	4.7%	4.4%
Pre-Tax Income	\$572.8	\$652.4	\$722.2	\$192.5	\$168.3	\$179.2	\$232.3	\$772.2	\$189.3	\$187.8	\$194.3	\$263.9	\$835.2	\$911.5
YoY % Chng	(8.4%)	13.9%	10.7%	28.7%	0.7%	(2.9%)	5.1%	6.9%	(1.7%)	11.6%	8.4%	13.6%	8.2%	9.1%
Income Tax	\$120.6	\$133.3	\$138.0	\$42.8	\$37.2	\$39.9	\$51.8	\$171.7	\$42.2	\$41.9	\$43.3	\$58.9	\$186.3	\$203.3
YoY % Chng	4.6%	10.6%	3.5%	80.1%	48.5%	5.8%	24.4%	(1.5%)	12.7%	8.7%	13.6%	8.5%	8.5%	9.1%
Tax Rate	21.0%	20.4%	19.1%	22.3%	22.1%	22.3%	22.3%	22.2%	22.3%	22.3%	22.3%	22.3%	22.3%	22.3%
Net Income, Adjusted	\$452.3	\$519.1	\$584.2	\$149.7	\$131.1	\$139.3	\$180.5	\$600.5	\$147.1	\$145.9	\$151.0	\$205.1	\$649.0	\$708.2
YoY % Chng	(11.8%)	14.8%	12.5%	18.9%	(7.7%)	(5.2%)	6.5%	2.8%	(1.7%)	11.3%	8.4%	13.6%	8.1%	9.1%
Net Income, GAAP	\$452.3	\$519.1	\$584.2	\$149.7	\$131.1	\$139.3	\$180.5	\$600.5	\$147.1	\$145.9	\$151.0	\$205.1	\$649.0	\$708.2
YoY % Chng	(11.4%)	14.8%	12.5%	18.9%	(7.7%)	(5.2%)	6.5%	2.8%	(1.7%)	11.3%	8.4%	13.6%	8.1%	9.1%
Basic Shares Outstanding	35.7	35.1	34.7	34.3	34.2	33.9	33.8	34.0	33.6	33.5	33.3	33.1	33.4	32.8
YoY % Chng	(4.0%)	(1.8%)	(1.1%)	(1.5%)	(2.1%)	(2.5%)	(1.7%)	(2.0%)	(1.9%)	(2.0%)	(1.8%)	(1.8%)	(1.9%)	(1.8%)
Diluted Shares Outstanding	36.1	35.4	35.0	34.6	34.4	34.1	34.0	34.3	33.9	33.7	33.5	33.4	33.6	33.0
YoY % Chng	(4.2%)	(1.9%)	(1.2%)	(1.7%)	(2.3%)	(2.5%)	(1.9%)	(2.1%)	(2.0%)	(2.0%)	(1.8%)	(1.8%)	(1.9%)	(1.8%)
Diluted EPS, Adjusted	\$12.53	\$14.67	\$16.69	\$4.33	\$3.81	\$4.08	\$5.31	\$17.53	\$4.34	\$4.33	\$4.50	\$6.14	\$19.32	\$21.47
YoY % Chng	(7.9%)	17.1%	13.8%	20.9%	(5.5%)	(2.6%)	8.6%	5.0%	0.3%	13.6%	10.3%	15.7%	10.2%	11.2%
Basic EPS	\$12.66	\$14.80	\$16.83	\$4.37	\$3.84	\$4.11	\$5.35	\$17.67	\$4.37	\$4.36	\$4.53	\$6.19	\$19.45	\$21.62
YoY % Chng	(7.7%)	16.9%	13.7%	20.7%	(5.7%)	(2.6%)	8.7%	5.0%	0.0%	13.5%	10.3%	15.7%	10.1%	11.2%
Diluted EPS, GAAP	\$12.53	\$14.66	\$16.69	\$4.33	\$3.81	\$4.08	\$5.31	\$17.53	\$4.34	\$4.33	\$4.50	\$6.14	\$19.32	\$21.47
YoY % Chng	(7.5%)	17.0%	13.8%	20.9%	(5.5%)	(2.6%)	8.6%	5.0%	0.3%	13.6%	10.3%	15.7%	10.2%	11.2%
Dividend Per Share	\$4.40	\$5.14	\$6.04	\$1.74	\$1.74	\$1.74	\$1.74	\$6.96	\$1.91	\$1.91	\$1.91	\$1.91	\$7.64	\$8.40
YoY % Chng	17.0%	16.8%	17.5%	15.2%	15.2%	15.2%	15.2%	15.2%	9.8%	9.8%	9.8%	9.8%	9.8%	9.9%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

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The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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Value Score	B
Growth Score	B
Momentum Score	F
VGM Score	B

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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