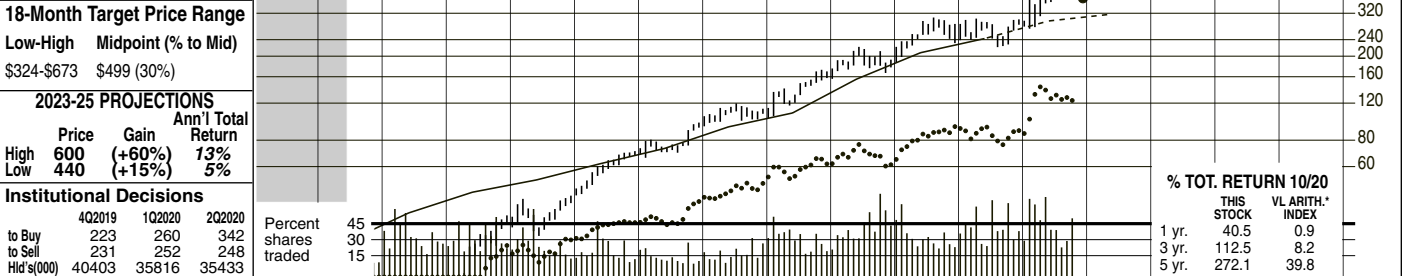


DOMINO'S PIZZA NYSE-DPZ

RECENT PRICE **376.55** P/E RATIO **30.9** (Trailing: 32.2, Median: 27.0) RELATIVE P/E RATIO **1.54** DIV'D YLD **0.9%** VALUE LINE **359**

TIMELINESS 1 Raised 11/20/20	High: 10.1	16.3	35.3	43.7	71.2	97.1	119.7	172.6	221.6	305.3	302.0	435.6	Target Price Range
SAFETY 2 Raised 11/20/20	Low: 4.6	8.4	15.8	28.2	43.8	66.2	93.2	101.0	156.3	186.9	220.9	270.1	2023 2024 2025
TECHNICAL 1 Raised 5/29/20	LEGENDS — 20.5 x "Cash Flow" p sh ... Relative Price Strength Options: Yes Shaded area indicates recession												
BETA .55 (1.00 = Market)													



2023-25 PROJECTIONS																	© VALUE LINE PUB. LLC		23-25
High	Price	Gain	Ann'l Total														% TOT. RETURN 10/20		
Low	600	(+60%)	Return														THIS STOCK		
	440	(+15%)	13%														VL ARITH. INDEX		
			5%														1 yr. 40.5 0.9		
																	3 yr. 112.5 8.2		
																	5 yr. 272.1 39.8		

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Revenues per sh ^A		154.40
21.06	22.50	23.02	24.52	24.92	23.97	26.19	28.61	29.81	32.32	35.89	44.47	51.41	64.99	83.77	92.95	106.40	119.60	"Cash Flow" per sh		21.50
1.37	1.95	2.22	1.62	1.26	1.27	1.77	2.22	2.53	3.03	3.57	4.52	5.26	7.61	10.14	11.83	15.45	15.45	Earnings per sh ^A		17.35
.81	1.44	1.65	1.03	.75	.87	1.35	1.69	2.02	2.48	2.86	3.47	4.30	5.91	8.35	9.57	12.45	13.00	Div'ds Decl'd per sh ^{BC}		4.85
.07	.40	.48	--	--	--	--	--	--	.80	1.00	1.24	1.52	1.84	2.20	2.60	3.12	3.25	Cap'l Spending per sh		3.55
.58	.43	.32	.71	.34	.39	.42	.42	.52	.72	1.26	1.27	1.22	2.10	2.93	2.20	2.45	3.25	Book Value per sh		d101.40
d8.01	d7.61	d9.05	d24.30	d24.92	d22.55	d20.19	d20.95	d23.72	d23.13	d21.95	d36.12	d39.15	d63.76	d74.18	d87.73	d93.50	d115.30	Common Shs Outst'g ^D		34.00
68.69	67.18	62.45	59.67	57.18	58.57	59.97	57.74	56.31	55.77	55.55	49.84	48.10	42.90	40.98	38.93	39.00	37.00	Avg Ann'l P/E Ratio		30.0
19.3	14.8	15.6	16.3	14.7	8.8	9.9	14.4	17.7	23.8	27.3	30.7	32.2	31.9	30.3	27.6	Bold figures are Value Line estimates		Relative P/E Ratio		1.65
1.02	.79	.84	.87	.88	.59	.63	.90	1.13	1.34	1.44	1.55	1.69	1.60	1.64	1.49			Avg Ann'l Div'd Yield		.9%
4.4%	1.9%	1.9%	--	--	--	--	--	--	1.4%	1.3%	1.2%	1.1%	1.0%	1.0%	1.0%					

CAPITAL STRUCTURE as of 9/6/20																	Revenues (Smill) ^A		5250
Total Debt \$4105.9 mill. Due in 5 Yrs \$1052 mill.																	Operating Margin		28.0%
LT Debt \$4062.2 mill. LT Interest \$120.0 mill.																	Depreciation (Smill)		90.0
(Total Interest coverage: 4.2x)																	Net Profit (Smill)		640
(More than 100% of Capital)																	Income Tax Rate		24.0%
Leases, Uncapitalized: Annual rentals \$39.9 mill.																	Net Profit Margin		12.2%
No Defined Benefit Pension Plan																	Working Cap'l (Smill)		1650
Common Stock 39,399,906 shares as of 10/1/2020																	Long-Term Debt (Smill)		5000
MARKET CAP: \$14.8 billion (Large Cap)																	Shr. Equity (Smill)		d3450
CURRENT POSITION (SMILL.)																	Return on Total Cap'l		41.5%
2018 2019 9/6/20																	Return on Shr. Equity		NMF
Cash Assets 25.4 190.6 330.7																	Retained to Com Eq		NMF
Receivables 190.2 210.2 229.4																	All Div'ds to Net Prof		23%
Inventory (FIFO) 46.0 53.0 65.5																			
Other 305.4 333.8 330.9																			
Current Assets 567.0 787.6 956.5																			
Accts Payable 92.5 111.1 88.2																			
Debt Due 35.9 43.4 43.7																			
Other 251.3 299.3 356.6																			
Current Liab. 379.7 453.8 488.5																			

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '17-'19 to '23-'25

Revenues	12.5%	20.0%	11.5%
"Cash Flow"	21.5%	26.5%	14.0%
Earnings	24.5%	26.5%	14.0%
Dividends	--	30.0%	14.0%
Book Value	--	--	NMF

Fiscal Year Ends	QUARTERLY REVENUES (\$ mill.) ^A				Full Fiscal Year
	Mar.	Jun.	Sep.	Dec.	Per
2017	624.2	628.6	643.7	891.5	2788.0
2018	785.4	779.4	786.0	1082.1	3432.9
2019	836.0	811.6	820.8	1150.4	3618.8
2020	873.1	920.0	967.7	1389.2	4150
2021	975	955	990	1505	4425

Fiscal Year Ends	EARNINGS PER SHARE ^A				Full Fiscal Year
	Mar.	Jun.	Sep.	Dec.	Per
2017	1.26	1.32	1.27	2.09	5.91
2018	2.00	1.84	1.95	2.62	8.35
2019	2.20	2.19	2.05	3.13	9.57
2020	3.07	2.99	2.49	3.90	12.45
2021	2.85	2.95	3.00	4.20	13.00

Calendar	QUARTERLY DIVIDENDS PAID ^{BC}				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2016	.38	.38	.38	.38	1.52
2017	.46	.46	.46	.46	1.84
2018	.55	.55	.55	.55	2.20
2019	.65	.65	.65	.65	2.60
2020	.78	.78	.78	.78	

Shares of Domino's pulled back after the company registered third-quarter results that disappointed investors. Revenues of \$967.7 million were widely in line with expectations, surging 17.9% from 2019's comparable tally. Domestic same-store sales advanced a strong 17.5%, while international comparisons rose more modestly at only 6.2%. The company has benefited from favorable order trends as customers have stayed at home more during the health crisis. Earnings of \$2.49 a share were below our call of \$2.70, as well as the consensus on Wall Street. Leadership attributed the bottom-line pressure to COVID-19-related costs, notably for staffing, and higher debt expenses. Investors focused on the soft share-net showing and bid this equity down after the release.

The company will likely benefit from increased pizza demand in the months ahead. The coronavirus continues to limit restaurant dining around the world. It is worth noting the increased demand will probably be accompanied with higher costs in the near term.

Expansion plans are uncertain. Management had targeted to have 25,000 operations (including supply chain) account for 93% of revenues; international, 7%. Employs about 13,100. Officers & directors own 1.7% of stock; Capital World Investors, 11.7%; BlackRock, Inc., 11.4%; The Vanguard Group, 10.0% (3/20 Proxy). CEO: Richard Allison. Inc.: DE. Address: 30 Frank Lloyd Wright Drive, Ann Arbor, MI 48105. Tel.: 734-930-3030. Internet: www.dominos.com.

stores by 2025, but the pandemic has led leadership to strike a more cautious tone. New unit development has been tough with COVID-19 disruptions. We look for the company to return to these plans, with a notable focus internationally, once market conditions start to normalize.

We forecast top- and bottom-line growth in 2021, though year-over-year comparisons will be tough. Demand trends should remain favorable. The company's loyalty program and established digital presence should help it maintain and grow market share. Expenses will probably ease over the course of the year as business normalizes. Thus, we estimate revenues of \$4.425 billion and earnings of \$13.00 a share for 2021.

This stock holds our Highest (1) rank for Timeliness. Growth investors may want to consider this equity as it may bounce back near term. However, regardless of the recent pullback, this issue is trading at an expensive valuation after its strong advance in recent years. Indeed, total return potential to 2023-2025 does not stand out at the recent quotation.

Richard J. Gallagher November 20, 2020