

DP Poland plc (“DP Poland”)

Unaudited Interim Results for the Six Months Ended 30 June 2011

DP Poland plc holds the exclusive rights to develop and operate Domino’s Pizza stores in Poland, through its wholly owned subsidiary DP Polska SA.

Highlights:

- A period of investment in infrastructure and rapid development of operational capabilities
- 6 stores now open, a further 6 leases signed for this year’s roll out and 2 already signed for 2012
- On track to hit target of 12 store openings in 2011
- Store quality high as evidenced by the international franchisor’s audit
- Strong management team in place to handle aggressive store roll out
- Higher than anticipated store fit out and central costs, but on-going cost improvements
- Encouraging sales figures in September, following the seasonal impact of summer
- Stores expected to reach sales maturity after 12 months’ trading

Peter Shaw, Chief Executive, said:

“We are on track with our roll out and are set to achieve our target of 12 stores by the end of this year. As we build towards critical mass and heightened brand awareness we will benefit from the cross marketing benefits that size brings. The rapid roll-out of stores in Warsaw this year and next is key to driving sales growth.”

19 September 2011

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Chief Executive's Statement

I am pleased to present our results for the first half of the year. As planned this period has seen significant investment in infrastructure, rapid development of our operational capabilities and our first few months of trading.

We opened our first store on schedule in February and our 5th and 6th stores last week. We are on track to hit our opening target of 12 stores in Warsaw in 2011, with the next 6 stores already under construction. As well as the 12 store leases for 2011 we already have 2 leases signed for opening in 2012, with many other potential sites under negotiation.

Our first store is of the highest quality, as evidenced by our franchisor's audit. Our initial store build costs and central costs have been higher than originally anticipated as we put the infrastructure in place for the store roll out, but we are already improving on the average fit-out cost. We have also reduced the time it takes to open a store to 6 weeks, from lease signing to store opening. Unexpected management changes last year resulted in a slower roll out than planned for the first half, but I am pleased to reiterate that our store openings are back on track to achieve the target of 12 store openings in 2011. Our team has done a fantastic job in this regard.

We have experienced a competitive real estate market which is seeing landlords commanding significant rent deposits, plus greater initial investments in IT infrastructure and the origination of marketing materials that had not been anticipated. However, as a result of this greater investment the quality of our stores and their locations is high and our online capability is already attracting an average 10-15% of sales, without promotion of this channel.

We have established an excellent management team with the expertise and capacity to handle our aggressive store roll-out plan for the next 3 years. All 12 of the store managers required for this year are recruited and are fully involved in recruiting and training their store teams.

Our commissary has been established with a highly reputable third party, LOT Catering, and is producing fresh dough of the highest quality. We have an initial capacity in this commissary to handle 30 mature stores. We have installed our own equipment and our own commissary manager and assistant.

Sales for the first 6 months represent 16 weeks trading of our first store and 2 weeks trading of our second store. We are seeing encouraging growth in transactions and average transaction value and believe that our first 12 stores will hit initial sales maturity after 12 months, as customers become aware of our superior offer. As our brand reputation becomes established we believe that stores will hit initial sales maturity earlier. In support of this we are actively developing our menu with more targeted pricing and new product introductions. We also believe that our various marketing initiatives, such as 25 scooter and 4 Smart car Domino's Pizza convoys, are impacting our presence in our store neighbourhoods and the city of Warsaw overall.

A survey among regular customers of our first store indicates that they are more motivated by the quality of our pizzas and our service than they are by price. This is consistent with the hypothesis behind our original business plan.

On a macro level Poland's economic performance continues to outstrip other European countries, with the IMF reporting 2.1% growth in GDP for the first half of this year and forecast GDP growth of 4% for the full year of 2011.

Euromonitor recently reported that the Polish pizza food service market will grow by 7% in 2011.

Results

The loss before taxation and share based payments for the six months ended 30 June 2011 was £640,364. The revenue produced for this period was £69,676 during which the first store was operational for 16 weeks and the second store for 2 weeks.

As at 30 June 2011 DP Poland's net cash balance amounted to £3.7 million.

Outlook – investment to achieve critical mass

We are seeing encouraging sales figures in September following the seasonal impact of summer. As we move into autumn we expect to see a further increase in sales as cooler, wetter weather encourages people to order food in.

We believe that the rapid roll-out of our stores in Warsaw this year and next is key to driving sales growth. Once we have a significant store presence we will have the critical mass to justify cross-city marketing, in support of our local store marketing. With greater store presence we believe that the Domino's Pizza brand will have a significant and growing impact on customer perceptions and buying behaviour.

I would like to take this opportunity to thank our management team and all our store managers and staff for their hard work and dedication in delivering a world class Domino's Pizza offer in Poland.

Peter Shaw
Chief Executive
19 September 2011

Group Income Statement
for the six months ended 30 June 2011

		<i>Unaudited</i>	<i>Audited</i>
		6 months to	Period to
		30.06.11	31.12.10
	Notes	£	£
Revenue		69,676	-
Cost of sales		(66,445)	-
Gross profit		3,231	-
Administrative expenses		(655,619)	(551,928)
GROUP EBITDA		(652,388)	(551,928)
Pre-opening expenses		(33,909)	-
Finance income		35,046	37,529
Finance costs		-	(500)
Other operating income		10,887	125,298
Total		12,024	162,327
Loss before taxation and share based payments		(640,364)	(389,601)
Share based payments		(36,035)	(21,666)
Loss before taxation		(676,399)	(411,267)
Taxation	2	38,091	28,319
Loss for the period		(638,308)	(382,948)
Loss per share			
	Basic	3	(3.68 p)
	Diluted	3	(3.68 p)
			(2.62 p)
			(2.62 p)

**Group Statement
of Comprehensive Income
for the six months ended 30 June 2011**

	<i>Unaudited</i> 6 months to 30.06.11 £	<i>Audited</i> Period to 31.12.10 £
Loss for the period	(638,308)	(382,948)
Currency translation differences	109,276	(22,671)
Total comprehensive income for the period	(529,032)	(405,619)

Group Balance Sheet
at 30 June 2011

	<i>Unaudited</i>	<i>Audited</i>
	30.06.11	31.12.10
	£	£
Non-current assets		
Intangible assets	360,691	294,705
Property, plant and equipment	871,826	380,477
Deferred tax asset	69,614	28,845
	1,302,131	704,027
Current assets		
Inventories	34,587	32,970
Trade and other receivables	483,875	193,308
Cash and cash equivalents	3,716,172	5,059,523
	4,234,634	5,285,801
Total assets	5,536,765	5,989,828
Current liabilities		
Trade and other payables	(326,697)	(286,763)
Total liabilities	(326,697)	(286,763)
Net assets	5,210,068	5,703,065
Equity		
Called up share capital	98,893	98,893
Share premium account	6,044,486	6,044,486
Capital reserve - own shares	(56,361)	(56,361)
Retained earnings	(963,555)	(361,282)
Currency translation reserve	86,605	(22,671)
Total equity	5,210,068	5,703,065

Group Statement of Cash Flows
for the six months ended 30 June 2011

	<i>Unaudited</i> 6 months to 30.06.11 £	<i>Audited</i> Period to 31.12.10 £
<i>Cash flows from operating activities</i>		
Loss before taxation for the period	(676,399)	(382,948)
<i>Adjustments for:</i>		
Finance income	(35,046)	(37,529)
Finance costs	-	500
Depreciation and amortisation	33,035	784
Share based payments expense	36,035	21,666
Operating cash flows before movement in working capital	(642,375)	(397,527)
Decrease/(increase) in inventories	9	(32,368)
Increase in trade and other receivables	(295,110)	(218,461)
Increase in trade and other payables	18,896	283,037
Cash generated from operations	(918,580)	(365,319)
Taxation paid	-	-
Net cash from operating activities	(918,580)	(365,319)
<i>Cash flows from investing activities</i>		
Payments to acquire software	(36,568)	(12,693)
Payments to acquire property, plant and equipment	(473,476)	(374,317)
Payments to acquire intangible fixed assets	(19,334)	(276,633)
Purchase of own shares	-	(50,250)
Interest received	45,933	37,529
Net cash used in investing activities	(483,445)	(676,364)
<i>Cash flows from financing activities</i>		
Issue of ordinary share capital	-	6,137,268
Interest paid	-	(500)
Net cash from financing activities	-	6,136,768
Net (decrease) / increase in cash and cash equivalents	(1,402,025)	5,095,085
Exchange differences on cash balances	58,674	(35,562)
Cash and cash equivalents at beginning of period	5,059,523	-
Cash and cash equivalents at end of period	3,716,172	5,059,523

**Group Statement of Changes in Equity
for the six months ended 30 June 2011**

Changes in equity	Share capital £	Share premium account £	Retained earnings £	Currency translation reserve £	Capital reserve - own shares £	Total £
At 9 June 2010 <i>(Audited)</i>	16,792	258,208	-	-	-	275,000
Shares issued	82,101	6,655,125	-	-	-	6,737,226
Expenses of share issue	-	(868,847)	-	-	-	(868,847)
Share based payments	-	-	21,666	-	-	21,666
Shares acquired by EBT	-	-	-	-	(56,361)	(56,361)
Translation difference	-	-	-	(22,671)	-	(22,671)
Loss for the period	-	-	(382,948)	-	-	(382,948)
At 1 January 2011 <i>(Audited)</i>	98,893	6,044,486	(361,282)	(22,671)	(56,361)	5,703,065
Share based payments	-	-	36,035	-	-	36,035
Translation difference	-	-	-	109,276	-	109,276
Loss for the period	-	-	(638,308)	-	-	(638,308)
At 30 June 2011 <i>(Unaudited)</i>	98,893	6,044,486	(963,555)	86,605	(56,361)	5,210,068

Notes to the Interim Financial Statements for the six months ended 30 June 2011

1 Basis of preparation

These condensed interim financial statements are unaudited and do not constitute statutory accounts within the meaning of the Companies Act 2006. These condensed interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' and were approved on behalf of the Board by the Chief Executive Officer Peter Shaw on 19 September 2011.

The accounting policies and methods of computation applied in these condensed interim financial statements are consistent with those applied in the Group's most recent annual financial statements for the period ended 31 December 2010.

The financial statements for the period ended 31 December 2010, which were prepared in accordance with International Financial Reporting Standards, as endorsed by the European Union ('IFRS'), and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, have been delivered to the Registrar of Companies. The auditors' opinion on those financial statements was unqualified and did not contain a statement made under s498(2) or (3) of the Companies Act 2006.

Copies of these condensed interim financial statements and the Group's most recent annual financial statements are available on request by writing to the Company Secretary at our registered office DP Poland plc 2nd Floor Ibox House, 42-47 Minories, London EC3N 1DX, or from our website www.dppoland.com.

2 Taxation

	<i>Unaudited</i>	<i>Audited</i>
	6 months to	Period to
	30.06.11	31.12.10
	£	£
Current tax	-	-
Deferred tax credit relating to the origination and reversal of temporary differences	38,091	28,319
Total tax credit in income statement	38,091	28,319

3 Earnings per ordinary share

The loss per ordinary share has been calculated as follows:

	<i>Unaudited</i> 6 months to 30.06.11	<i>Unaudited</i> 6 months to 30.06.11 £	<i>Audited</i> Period to 31.12.10	<i>Audited</i> Period to 31.12.10 £
	Weighted average number of shares	Profit / (loss) after tax	Weighted average number of shares	Profit / (loss) after tax
Basic	17,333,334	(638,308)	14,605,284	(382,948)
Diluted	17,333,334	(638,308)	14,605,284	(382,948)

The weighted average number of shares for the period excludes those shares in the Company held by the employee benefit trust. At 30 June 2011 the basic and diluted loss per share is the same, as the vesting of JOSS or SIP awards would reduce the loss per share and is, therefore, anti-dilutive.

4 Principal risks and uncertainties

The principal risks and uncertainties facing the Group are disclosed in the Group's financial statements for the period ended 31 December 2010, available from www.dppoland.com and remain unchanged.