

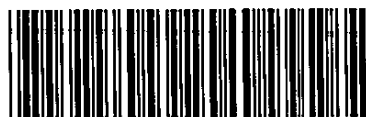
Registered No 5860040

DPG Holdings Limited

Report and Financial Statements

26 December 2010

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DPG Holdings Limited

Registered No 5860040

Directors

S G Hemsley
L D Ginsberg
C H R Moore
A Batty

Secretary

A Batty

Auditors

Ernst & Young LLP
400 Capability Green
Luton
LU1 3LU

Bankers

Barclays Bank Plc
669 Midsummer Boulevard
Central Milton Keynes
Buckinghamshire
MK9 3BQ

Registered office

Domino's House
Lasborough Road
Kingston
Milton Keynes
Bucks
MK10 0AB

Directors' report

The directors present their report and financial statements for the year ended 26 December 2010

Results and dividends

The loss for the year amounted to £14,038 (2009 profit of £25,881,776) Dividends of £100,000,000 (2009 £25,900,000) were paid during the year The directors do not recommend the payment of any further dividends

Principal activities and review of the business

The principal activity of the company during the period under review was to hold investments in subsidiaries of the Domino's Pizza Group

Both the level of business and the financial position for the year ended 26 December 2010 were satisfactory

Directors

The directors who served throughout the year were as follows

S Hemsley
L Ginsberg
C Moore
A Batty

The directors had no interest, as defined by the Companies Act 2006, in the share capital of the company at any time during the year

S Hemsley, L Ginsberg and C Moore are also directors of Domino's Pizza UK & IRL plc, the immediate parent company and details of their interests therein are shown in the directors' report of that company for the year ended 26 December 2010

Financial instruments

The company's principal financial instruments are intercompany creditors and a bank revolving credit (see note 11 and 12 for further details)

The company has not entered into any derivative transactions such as interest rate swaps or financial foreign currency contracts The main risks arising from the company's financial instruments are cash flow interest risk, fair value interest rate risk and credit risk In view of the low level of foreign currency transactions the Board does not consider there to be any significant foreign currency risks

Disclosure of information to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware Having made enquiries of fellow directors and the company's auditor, each director has taken all steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

Special provisions

The director's report has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small entities

Directors' report

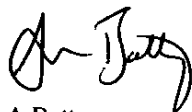
Going Concern

The company has an excess of current liabilities over current assets of £123,863,239 at 26 December 2010 (2009 £23,849,201). The directors have carried out a detailed review of the cash flow projections covering 12 months from the approval of these financial statements. The company is dependent on the continued support of its ultimate parent company however the directors are satisfied that the company can generate sufficient cash flow from the existing business to meet its day to day obligations as they fall due. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By order of the board



A Batty
Secretary

23 June 2011

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Independent auditors' report to the members of DPG Holdings Limited

We have audited the financial statements of DPG Holdings Limited for the year ended 26 December 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the director's report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 26 December 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report

to the members of DPG Holdings Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report

Ernst & Young LLP

Simon O'Neill (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham

28/6/2011

Profit and Loss Account

for the year ended 26 December 2010

		Year ended 26 December 2010	Year ended 27 December 2009
	Notes	£	£
Other operating income	3	-	25,900,000
Administrative expenses		(4,012)	(4,153)
Operating (loss) / profit		(4,012)	25,895,847
Interest receivable	4	6,856	-
Interest payable	5	(16,882)	(14,071)
(Loss) / profit on ordinary activities before taxation		(14,038)	25,881,776
Tax on (loss) / profit on ordinary activities	7	-	-
(Loss) / profit for the financial period		(14,038)	25,881,776

All activities relate to continuing operations

The company has no recognised gains or losses other than the results for the period as set out above

DPG Holdings Limited

Registered No 5860040

Balance sheet at 26 December 2010

		<i>At 26 December 2010</i>	<i>At 27 December 2009</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
Investments	9	260,000,000	260,000,000
Current assets			
Debtors	10	1,255,900	1,269,601
Creditors amounts falling due within one year	11	(125,119,139)	(25,118,802)
Net current liabilities		(123,863,239)	(23,849,201)
Total assets less current liabilities		136,136,761	236,150,799
Creditors amounts falling due after more than one year	12	(7,750,000)	(7,750,000)
		128,386,761	228,400,799
Capital and reserves			
Called up share capital	14	1,600,000	1,600,000
Merger reserve	15	100,000,000	100,000,000
Profit and loss account	15	26,786,761	126,800,799
Equity shareholders' funds	15	128,386,761	228,400,799

The financial statements were approved by the Board on 23 June 2011 and were signed on its behalf by



L D Ginsberg
Director

Notes to the financial statements

at 26 December 2010

1. Fundamental accounting concept

The financial statements have been prepared on a going concern basis as the ultimate controlling undertaking and fellow group undertakings have confirmed that they will provide financial support to enable the company to meet its financial obligations, as they fall due

2. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, and in accordance with applicable accounting standards. The financial statements of DPG Holdings Limited were approved for issue by the Board of Directors on 23 June 2011

Group accounts

Group accounts are not submitted as the company is exempt under Section 400 (1) of the Companies Act 2006. The results of the company are dealt with in the consolidated accounts of Domino's Pizza UK & IRL plc

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes consolidated financial statements

Related parties transactions

The company is a wholly owned subsidiary of Domino's Pizza UK & IRL plc, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with group companies

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Notes to the financial statements

at 26 December 2010

3. Other operating income and administrative expenses

Operating income represents dividends receivable. Operating income is attributable to the company's one continuing activity. All of the income is derived in the UK.

The auditors' remuneration is not included in the administrative expenses, as this is borne by the parent company.

4. Interest receivable

	<i>Year ended 26 December 2010</i>	<i>Year ended 27 December 2009</i>
	<i>£</i>	<i>£</i>
Bank interest receivable	6,856	-

5. Interest payable

	<i>Year ended 26 December 2010</i>	<i>Year ended 27 December 2009</i>
	<i>£</i>	<i>£</i>
Bank interest payable	16,882	14,071

6. Staff costs

No salaries or wages have been paid to employees, including directors, during the year (2009: nil). The directors were remunerated by Domino's Pizza Group Limited. The following disclosures relate to the total amounts paid to the directors of DPG Holdings Limited for their services to this company and other subsidiaries of the Group. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of other fellow subsidiaries.

	<i>Year ended 26 December 2010</i>	<i>Year ended 27 December 2009</i>
	<i>£</i>	<i>£</i>
Emoluments	1,960,000	1,919,000
Company contributions paid to individual personal pension plan	96,000	105,000
	<i>Year ended 26 December 2010</i>	<i>Year ended 27 December 2009</i>
	<i>No</i>	<i>No</i>
Members of money purchase pension schemes	3	4

The amounts in respect of the highest paid director are as follows:

	<i>Year ended 26 December 2010</i>	<i>Year ended 27 December 2009</i>
	<i>£</i>	<i>£</i>
Emoluments	809,000	672,000
Company contributions paid to individual personal pension plan	47,000	39,000

Notes to the financial statements

at 26 December 2010

7. Tax on profit on ordinary activities

a) The tax charge is made up as follows

	<i>Year ended 26 December 2010 £</i>	<i>Year ended 27 December 2009 £</i>
Current tax charge (note 7(b))	-	-

b) Factors affecting current tax charge

The tax assessed on the (loss) / profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2009 28%)

	<i>Year ended 26 December 2010 £</i>	<i>Year ended 27 December 2009 £</i>
(Loss) / profit on ordinary activities before taxation	(14,038)	25,881,776
Profit on ordinary activities at the standard rate of tax – 28 0% (2009 – 28%)	(3,931)	7,246,897
Dividend income – not taxable	-	(7,252,000)
Group relief	3,931	5,103
Total current tax	-	-

In his budget of 22 June 2010, the Chancellor of the Exchequer announced Budget tax changes which will have an effect on the company's future tax position. The Budget proposed a decrease in the rate of UK corporation tax from 28% to 24% by 1% each year, from April 2011, which will be enacted annually. The effect on the company of these changes to the UK tax system have been reflected in the financial statements for the year ended 26 December 2010 to the extent which they have been substantively enacted as at 26 December 2010.

The Chancellor also announced in the Budget on 23 March 2011 that the standard rate of UK Corporation Tax will be reduced by a further 1% to 26% from 1 April 2011. This reduction was substantively enacted on 29 March 2011. The future reductions are now planned to take the rate down by 1% per annum to 23% from 1 April 2014 and will be reflected in future accounts following substantive enactment.

8. Dividends

	<i>Year ended 26 December 2010 £</i>	<i>Year ended 27 December 2009 £</i>
Equity dividends on ordinary shares	100,000,000	25,900,000

Notes to the financial statements

at 26 December 2010

9. Investments

*Share in group
companies
£*

Cost	
At 27 December 2009 and 26 December 2010	<u>260,000,000</u>

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows

Name of company	Holding	Proportion of voting rights and shares held	Nature of Business
Domino's Pizza Group Limited	Ordinary shares	100%	Operation and management of franchise business and commissaries

10. Debtors

	<i>At 26 December 2010 £</i>	<i>At 27 December 2009 £</i>
Amounts owed by group undertakings	<u>1,255,900</u>	<u>1,269,601</u>
	<u>1,255,900</u>	<u>1,269,601</u>

11. Creditors: amounts falling due within one year

	<i>At 26 December 2010 £</i>	<i>At 27 December 2009 £</i>
Bank overdraft	-	998
Accruals and deferred income	16,883	15,548
Amounts owed to group undertakings	<u>125,102,256</u>	<u>25,102,256</u>
	<u>125,119,139</u>	<u>25,118,802</u>

Notes to the financial statements

at 26 December 2010

12. Creditors: amounts falling due after more than one year

	<i>At 26 December 2010 £</i>	<i>At 27 December 2009 £</i>
Bank revolving facility	7,750,000	7,750,000
	<u>7,750,000</u>	<u>7,750,000</u>

Bank revolving facility

On 20 December 2007, the DPG Holdings Limited entered into an agreement to obtain a revolving credit facility from Barclays Bank plc. The limit for this facility is £25,000,000. The balance drawn down by the Company on the facility at 26 December 2010 was £7,750,000 (2009 £7,750,000). The facility has a remaining term of three years and interest is charged at 0.5% per annum above LIBOR. The facility was secured by an unlimited cross guarantee between Domino's Pizza UK & IRL plc, Domino's Pizza Group Limited, DPG Holdings Limited, DP Realty Limited and DP Group Developments Limited as well as negative pledges given by Domino's Pizza UK & IRL plc, Domino's Pizza Group Limited, DPG Holdings Limited, DP Realty Limited and DP Group Developments Limited.

13. Contingent liability

The Group entered into an agreement to obtain bank loans and mortgage facilities. These are secured by a fixed and floating charge over the Group's assets and unlimited guarantee provided by Domino's Pizza UK & IRL plc. At 26 December 2010 the balance due under these facilities was £12,034,622 (2009 £12,034,622). The loans bear interest at 0.50% above LIBOR (2009 0.50%). The loan has a term of 7 years and matures on 31 January 2014.

14. Share capital

	<i>Authorised At 27 December 2009 and at 26 December 2010 £</i>	
Ordinary shares of 1p each	160,000,001	
	<i>Allotted, called up and fully paid At 27 December 2009 and at 26 December 2010 No £</i>	
Ordinary shares of 1p each	<u>160,000,001</u>	<u>1,600,000</u>

Notes to the financial statements

at 26 December 2010

15. Reconciliation of shareholders' funds and movement on reserves

	<i>Share capital</i> £	<i>Merger reserve</i> £	<i>Profit and loss account</i> £	<i>Total share- holders' funds</i> £
At 28 December 2008	1,600,000	100,000,000	126,819,023	228,419,023
Profit for the year	-	-	25,881,776	25,881,776
Dividends paid	-	-	(25,900,000)	(25,900,000)
At 27 December 2009	1,600,000	100,000,000	126,800,799	228,400,799
Loss for the year	-	-	(14,038)	(14,038)
Dividends paid	-	-	(100,000,000)	(100,000,000)
At 26 December 2010	<u>1,600,000</u>	<u>100,000,000</u>	<u>26,786,761</u>	<u>128,386,761</u>

16. Ultimate parent undertaking and controlling party

In the opinion of the directors, the immediate parent company and controlling party is Domino's Pizza UK & IRL plc, a company incorporated in the United Kingdom

The smallest and largest group and for which group financial statements are drawn up, and of which the company is a member, is Domino's Pizza UK & IRL plc, a company incorporated in the United Kingdom. Copies of the financial statements of Domino's Pizza UK & IRL plc may be obtained from its registered office, Domino's House, Lasborough Road, Kingston, Milton Keynes, MK10 0AB