

Domino's pledges to return more cash to shareholders as pizza firm reports soaring profits

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[omino](#)'s Pizza Group revealed a £35 million [raise](#) to its share buyback program on Tuesday, on the back of soaring [profits](#).

The [UK arm](#) of the pizza giant reported [sales](#) of £752.3 million for the six months to June 27, up nearly 20% on the same period last year, during which Domino's had already seen a lockdown boost in orders.

Post-tax profits more than doubled to £41.3 million, which the firm put down in part to the disposal of most of its [loss](#)-making international operations.

Domino's completed the sale of its Icelandic arm in June and is focusing on expanding its UK and Ireland business, with plans to create 7,000 new jobs and open 200 stores. Over the past six months it opened 13 new sites, and is set to reach 30 in 2021.

The firm said it will now pursue an £80 million share buyback program, and issue an interim dividend of 3.0p per share in September.

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Chief executive, Dominic Paul, told the Standard management is also making "continued and increasing investment" back into the business, and said the group has seen "momentum generally continue" since July 19 despite hospitality fully reopening.

He said: "These are very strong results – strong profits, strong sales – which gives us confidence. We think that investing in a share buyback program makes a lot of sense, as we think the shares are good value at the moment," he said, adding: "We're using the money the business is making to really invest in the future growth of the business."

Paul pointed to a boost from Dominos' recent "supercharged" advertising campaign, and said the firm benefited from England making it to the Euros final.

The England vs Scotland match saw the group's highest recorded trading day this calendar year as families around the UK ordered in. The firm sold 13 pizzas a second in the UK that night.

Paul expects Domino's collection business to gradually recover towards levels "more in line with 2019" as society leaves lockdowns behind. The firm app's group ordering option, its vegan and newly-returned gluten free ranges are also performing particularly well, he said.

Analysts at Peel Hunt highlighted the franchisee average EBITDA per store growing by 80% to £154,000 in the period, and labelled the performance "a great first half for the company and franchisees".

Domino's shares rose 3.4% on Tuesday morning.