

FREQUENTLY ASKED QUESTIONS ON NEW REPORTING SEGMENTS: HISTORICAL FINANCIALS

On September 18, 2015, the Company provided investors with segment summary financial information and segment historical data in accordance with its new reporting structure for the previously reported years ended December 31, 2010 through 2014 and quarters ended March 31, 2014 through June 30, 2015. The following information is provided in response to certain questions regarding this historical information.

SEGMENT QUESTIONS

1. What impact did currency translation have on sales and revenue growth in the new segments?

See the attached table titled "SCHEDULE OF SEGMENT SUMMARY FINANCIAL INFORMATION" for annual currency translation impact.

2. Can segment-level information be provided for the following: rent and royalty components of franchise revenues, third-party rent expense and the breakout of leased vs. owned restaurants?

Consistent with 2014 filings, McDonald's does not disclose this information at a segment level. Rent expense was separately disclosed for the U.S. and outside the U.S. on page 40 of the Company's 2014 annual report on Form 10-K as follows:

<i>In millions</i>	2014	2013	2012
Company-operated restaurants:			
U.S.	\$ 61.3	\$ 61.6	\$ 59.1
Outside the U.S.	708.3	713.4	661.0
Total	769.6	775.0	720.1
Franchised restaurants:			
U.S.	446.3	441.6	433.0
Outside the U.S.	610.1	572.0	519.7
Total	1,056.4	1,013.6	952.7
Other	106.3	104.0	104.2
Total rent expense	\$ 1,932.3	\$ 1,892.6	\$ 1,777.0

3. What is the amount of food and price inflation in each segment?

As reported during the third quarter 2015 earnings call, U.S. commodity costs rose about 1%, primarily due to higher beef prices. U.S. third quarter pricing was up about 2% on a trailing-twelve month basis. Commodity costs for the International Lead Markets segment were up about 0.5% in the third quarter 2015. Year-over-year price increases for the International Lead Markets vary by market and averaged 1% to 2%. The Company plans to disclose a full-year commodity cost outlook for each of these segments in conjunction with its November 10, 2015 Investor Meeting.

As the U.S. and International Lead Markets segments comprise over 80% of operating income, the Company does not disclose pricing or commodity information for the other segments.

4. How does McDonald's allocate Corporate SG&A expenses under the new segments?

In connection with the announcement in early May 2015 to restructure its global business, the Company changed its reporting segments, effective July 1, 2015, from geographic focused to segments which combine markets with similar characteristics and opportunities for growth. As a result, historical G&A outside the U.S. was reallocated from the prior geographic segments into the new international segments.

Beginning July 1, 2015, the Company centralized certain market support expenses previously incurred by the geographic segments into Corporate. As a result, these expenses were included in the segment results prior to July 1, 2015 and in Corporate results subsequent to that date. Approximately \$30 million of segment-level selling, general and administrative expenses, originally allocated evenly between the International Lead Markets and High Growth Markets segments, were reallocated as Corporate expenses. Consolidated G&A was not impacted by this reallocation.

MARKET QUESTION

5. Could McDonald's provide the following for each major market: ownership breakdown, restaurant counts and contribution to segment revenues and operating income?

The Company plans to provide this information for select markets in conjunction with its November 10, 2015 Investor Meeting.

MCDONALD'S CORPORATION
SCHEDULE OF SEGMENT SUMMARY FINANCIAL INFORMATION
(Unaudited)

	Years Ended December 31,				
	2014	2013	2012	2011	2010
	Increase/ (Decrease)				
INTERNATIONAL LEAD MARKETS					
Sales by company-operated restaurants % change	(1%)	(3%)	(1%)	12%	3%
Sales by company-operated restaurants % change, excl. currency translation*	(1%)	(2%)	2%	6%	1%
Revenues from franchised rest. % change	3%	4%	2%	15%	8%
Revenues from franchised rest. % change, excl. currency translation*	4%	4%	6%	8%	8%
Total Revenues % change	0%	0%	0%	13%	5%
Total Revenues % change, excl. currency translation*	1%	0%	3%	7%	4%
Franchised Sales % change	2%	3%	2%	14%	10%
Franchised Sales % change, excl. currency translation*	4%	3%	6%	8%	9%
Systemwide Sales % change	2%	1%	1%	13%	8%
Systemwide Sales % change, excl. currency translation*	3%	2%	5%	7%	7%

	Years Ended December 31,				
	2014	2013	2012	2011	2010
	Increase/ (Decrease)				
HIGH GROWTH MARKETS					
Sales by company-operated restaurants % change	(4%)	6%	6%	21%	12%
Sales by company-operated restaurants % change, excl. currency translation*	1%	5%	9%	16%	11%
Revenues from franchised rest. % change	7%	11%	0%	18%	5%
Revenues from franchised rest. % change, excl. currency translation*	7%	8%	7%	11%	9%
Total Revenues % change	(3%)	7%	6%	21%	12%
Total Revenues % change, excl. currency translation*	1%	6%	9%	16%	10%
Franchised Sales % change	9%	11%	0%	18%	5%
Franchised Sales % change, excl. currency translation*	8%	8%	7%	11%	8%
Systemwide Sales % change	1%	8%	4%	20%	9%
Systemwide Sales % change, excl. currency translation*	4%	6%	9%	14%	10%

MCDONALD'S CORPORATION
SCHEDULE OF SEGMENT SUMMARY FINANCIAL INFORMATION
(Unaudited)

	Years Ended December 31,				
	2014	2013	2012	2011	2010
FOUNDATIONAL MARKETS & CORPORATE	Increase/ (Decrease)				
Sales by company-operated restaurants % change	(9%)	2%	(2%)	11%	9%
Sales by company-operated restaurants % change, excl. currency translation*	(3%)	2%	2%	6%	6%
Revenues from franchised rest. % change	(4%)	3%	2%	21%	12%
Revenues from franchised rest. % change, excl. currency translation*	4%	8%	8%	14%	13%
Total Revenues % change	(7%)	3%	(1%)	14%	10%
Total Revenues % change, excl. currency translation*	(1%)	4%	4%	8%	8%
Franchised Sales % change	(7%)	(4%)	3%	15%	10%
Franchised Sales % change, excl. currency translation*	4%	6%	8%	9%	9%
Systemwide Sales % change	(7%)	(3%)	2%	15%	10%
Systemwide Sales % change, excl. currency translation*	3%	6%	7%	8%	9%

* Represents a non-GAAP financial measure. The definitions that apply to these measures are below.

THE FOLLOWING DEFINITIONS APPLY TO THESE TERMS

- Information excluding currency translation is calculated by translating current year results at prior year average exchange rates. Management reviews and analyzes business results excluding the effect of foreign currency translation and bases incentive compensation plans on these results because they believe this better represents the Company's underlying business trends.
- Franchised sales include sales at all franchised restaurants. Franchised sales are not recorded as revenues by the Company, but are the basis on which the Company calculates and records franchised revenues and are indicative of the health of the franchisee base.
- Systemwide sales include sales at all restaurants, whether operated by the Company or by franchisees. While franchised sales are not recorded as revenues by the Company, management believes the information is important in understanding the Company's financial performance because these sales are the basis on which the Company calculates and records franchised revenues and are indicative of the financial health of the franchisee base.