

McDonald's Corporation

Investor Overview



Important Disclaimers

This presentation contains financial measures that are not calculated in accordance with generally accepted accounting principles in the United States ("GAAP"), including Systemwide sales, free cash flow conversion and adjusted operating margin. Systemwide sales include sales at all restaurants, whether operated by us or by franchisees. Free cash flow conversion is free cash flow (cash provided by operations, less capital expenditures) divided by net income. Adjusted operating margin is defined as non-GAAP operating income (operating income adjusted for certain special gains and charges) divided by total revenues. More information about these non-GAAP financial measures, including why management believes they provide useful information to investors, can be found in our filings with the Securities and Exchange Commission (the "SEC"). See the Appendix to this presentation for reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP.

Outlook has been excerpted from our Annual Report on Form 10-K filed with the SEC on February 24, 2026 ("Form 10-K"). Outlook comprises forward-looking statements that reflect current expectations, are not guarantees of performance and speak only as of the date of the respective Form 10-K filing. You should not unduly rely on forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include those reflected under "Risk Factors" in the Form 10-K and elsewhere in our filings with the SEC.

Website links included in this presentation are for convenience only. Information contained on or accessible through such website links is not incorporated in, and does not constitute a part of, this presentation.

McDonald's strategic evolution...

1950s



Kroc meets brothers Dick and Mac McDonald at their restaurant in San Bernardino

Kroc becomes the national franchising agent for the McDonald brothers

Kroc forms McDonald's System, Inc. to issue McDonald's franchises under license from the McDonald brothers

100 millionth hamburger sold by McDonald's

1960s, 1970s & 1980s



McDonald's Corporation buys the exclusive rights to the McDonald's name and operating system from the McDonald brothers

First location outside the U.S. opens

McDonald's expands globally to Tokyo, Amsterdam, Munich, and Sydney

The Big Mac, Egg McMuffin, Happy Meal, and Chicken McNuggets are invented and launched

The first drive thru opens

...continues to meet customer needs over time

1990s & 2000s



The McFlurry is invented and launched in Canada
Accelerated unit growth with continued international expansion
Plan to Win corporate strategy to focus on exceptional customer experience
Dollar Menu value offerings
i'm lovin' it marketing campaign launches
McCafé is invented and launched in Australia

2010s & 2020+



Turnaround plan announcement (re-franchising, cost savings)
Velocity Growth Plan corporate strategy to focus on Digital, Delivery, and U.S. Experience Of The Future
Accelerating the Arches corporate strategy to focus on Brand and M-C-D growth pillars: Marketing, Core, Digital, Delivery, Drive Thru and Development
Loyalty Program launches and rapidly expands to 70 markets around the globe

McDonald's Senior Leadership Team



Chris Kempczinski
President and Chief Executive Officer
10 Years at McDonald's



Skye Anderson
President,
Global Business Services
25 Years at McDonald's



Warren Anderson
Senior Vice President,
Global Chief Supply Chain Officer
15 Years at McDonald's



Jon Banner
Executive Vice President,
Global Chief Impact Officer
3 Years at McDonald's



Dario Baroni
President, IDL
9 Years at McDonald's



Ian Borden
Executive Vice President,
Global Chief Financial Officer
30 Years at McDonald's



Tiffanie Boyd
Executive Vice President,
Global Chief People Officer
5 Years at McDonald's



Joe Erlinger
President,
McDonald's USA
23 Years at McDonald's



Morgan Flatley
Executive Vice President,
Global Chief Marketing Officer
and New Business Ventures
9 Years at McDonald's



Jill McDonald
Executive Vice President,
Global Chief Restaurant Experience Officer
12 Years at McDonald's



Desiree Ralls-Morrison
Executive Vice President,
Global Chief Legal Officer
5 Years at McDonald's



Emily Reasor
Senior Vice President,
Global Chief Strategy Officer



Brian Rice
Executive Vice President,
Global Chief Information Officer
3 Years at McDonald's



Manu Steijaert
President, IOM
23 Years at McDonald's

McDonald's Board of Directors Roster and Committees



Chris Kempczinski

Chairman of the Board
President and CEO,
McDonald's Corporation
Executive*
Director Since: 2019



Anthony Capuano

President and CEO,
Marriott International, Inc.
Compensation, Corporate Responsibility
Director Since: 2022



Kareem Daniel

Former Chairman,
Disney Media and Entertainment Distribution
Audit & Finance, Compensation
Director Since: 2022



Lloyd Dean

Chief Executive Emeritus and Founding Executive,
CommonSpirit Health
Compensation*, Executive, Governance
Director Since: 2015



Catherine Engelbert

Commissioner,
Women's National Basketball Association
Audit & Finance*, Corporate Responsibility, Executive
Director Since: 2019



James Farley, Jr.

President and CEO,
Ford Motor Company
Director Since: 2026



Margaret Georgiadis

Co-Founder and CEO,
Montai Therapeutics
Audit & Finance, Governance
Director Since: 2015



Mike Hsu

Chairman and CEO,
Kimberly-Clark
Audit & Finance, Corporate Responsibility
Director Since: 2024



Jennifer Taubert

EVP and Worldwide Chairman – Innovative Medicine,
Johnson & Johnson
Audit & Finance, Compensation
Director Since: 2022



Paul Walsh

Executive Chairman,
McLaren Group Limited
Corporate Responsibility*, Executive, Governance
Director Since: 2019



Amy Weaver

Former President and CFO,
Salesforce, Inc.
Audit & Finance, Governance
Director Since: 2022



Miles White

Lead Independent Director
Former Executive Chairman and CEO,
Abbott Laboratories
Governance*, Compensation, Executive
Director Since: 2009

McDonald's



45K+

Restaurants



2.5M

People

Working for McDonald's
or Franchisees



100+

Countries



~72 Million

Customers

Served every day



The McDonald's System

The three-legged stool of McDonald's franchisees, suppliers, and employees

Franchisees



~95% of McDonald's restaurants are locally owned and operated, providing the entrepreneurial spirit of local business owners

Suppliers



Many recognize McDonald's as having the **most integrated, efficient and innovative supply system** in the food service industry

Employees

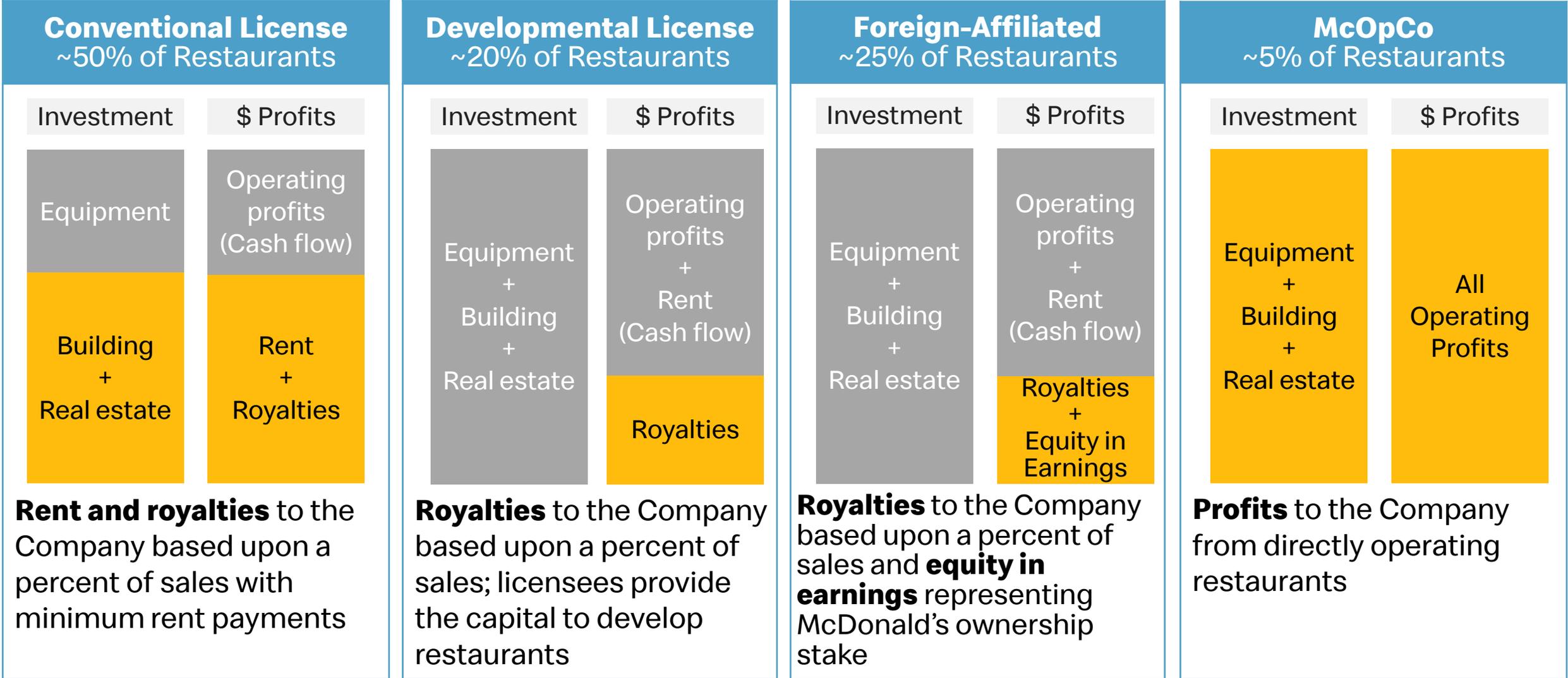


1 in 8 Americans have worked at a McDonald's restaurant, learning skills that can go wherever they go

The balance of interests among the three groups is essential to McDonald's success

McDonald's Business Model

Revenues from rent, royalties and initial fees and profits from directly operating restaurants



Rent and royalties to the Company based upon a percent of sales with minimum rent payments

Royalties to the Company based upon a percent of sales; licensees provide the capital to develop restaurants

Royalties to the Company based upon a percent of sales and **equity in earnings** representing McDonald's ownership stake

Profits to the Company from directly operating restaurants

■ McDonald's
 ■ Franchisee

McDonald's Global Business Operates Under 3 Segments

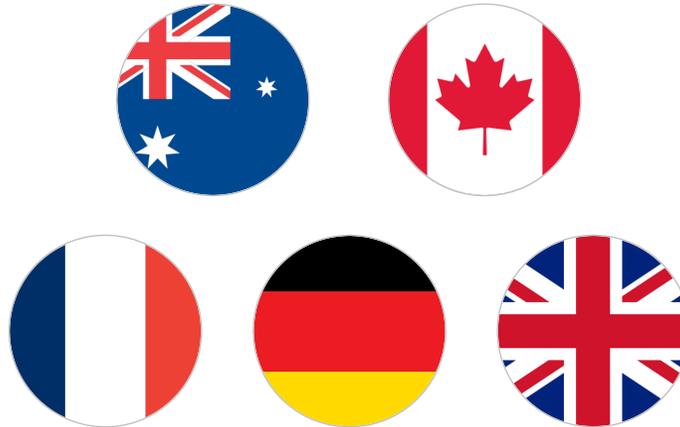
U.S., Intl Operated Markets, and Intl Developmental Licensed Markets & Corporate

U.S. Market



McDonald's largest market in terms of Systemwide sales

International Operated Markets (IOM)



19+ markets or countries including Australia, Canada, France, Germany and the U.K.

International Developmental Licensees & Corporate (IDL)

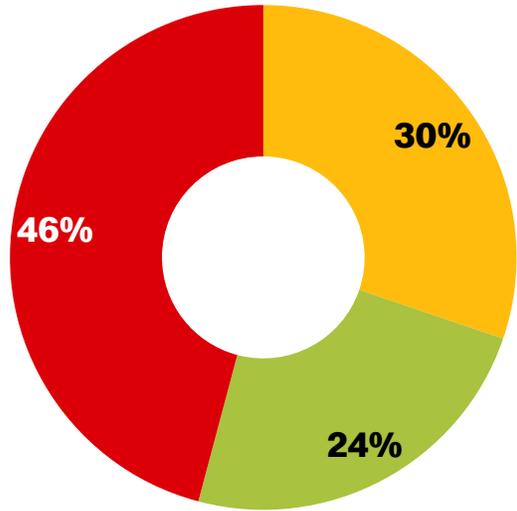


75+ markets or countries including Brazil, China and Japan

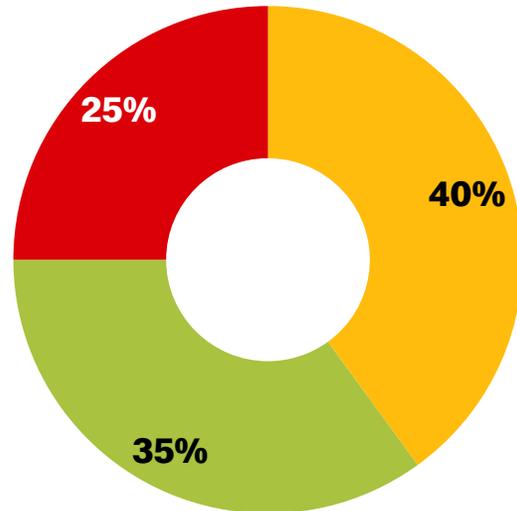
For a complete list of markets and store counts, see the Supplemental Information on the [Financial Information](#) page of the McDonald's Investor Relations website

McDonald's Segment Breakdown

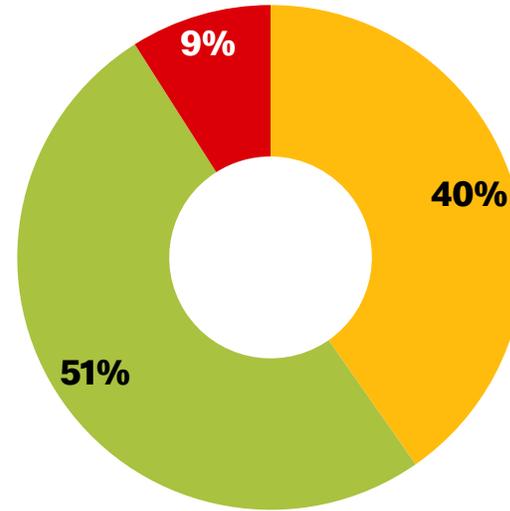
U.S. and IOM segments are ~90% of FY'25 revenue and adj. operating income***



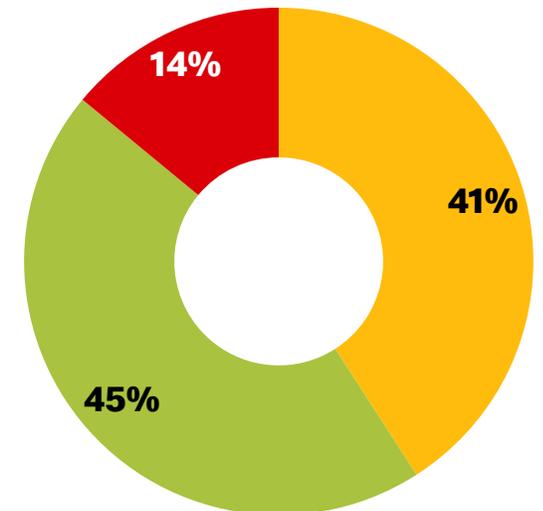
Restaurants*



FY'25 Systemwide Sales**



FY'25 Revenues



FY'25 Adj. Operating Income***



* As of 12/31/2025

** Systemwide sales is a non-GAAP financial measure. There is no directly equivalent GAAP measure. See "Important Disclaimers" for more information

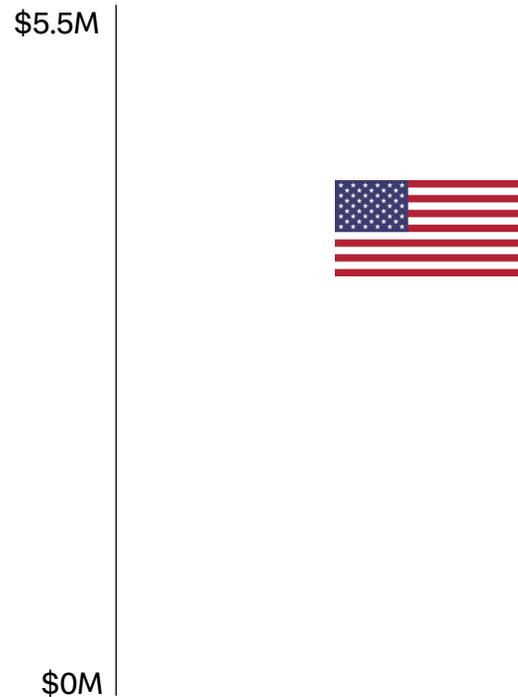
*** Excludes Corporate activities from IDL segment. Adjusted operating income consists of approximately 30% U.S. Dollars and 70% International currencies, of which approximately 70% is in EUR, GBP, AUD, and CAD. Adjusted operating income is a non-GAAP financial measure. The equivalent GAAP measure is operating income. See the reconciliations at the end of the deck and "Important Disclaimers" for more information

U.S. Segment

Unrivaled drive-thru presence and strong unit economics with a 95% franchised ownership mix*

Average Unit Volumes*

(In millions U.S. \$)

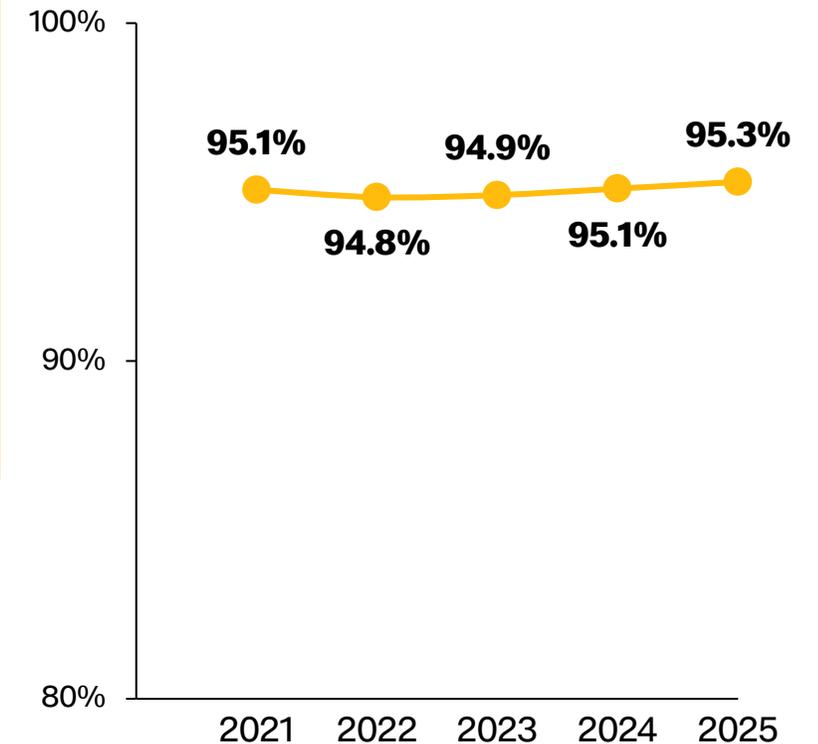


% Drive Thru Restaurants*



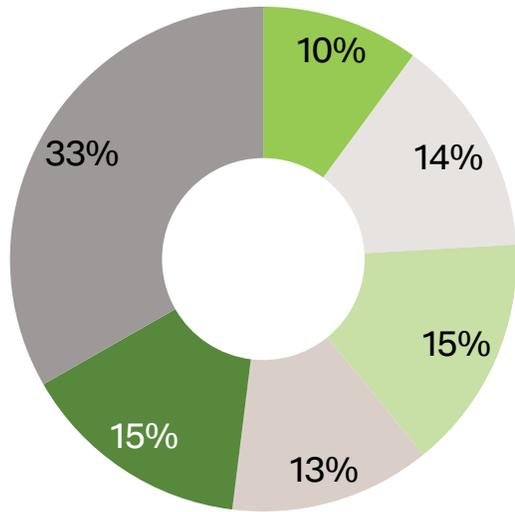
>95% of Restaurants
have a Drive Thru

% Franchised Restaurants

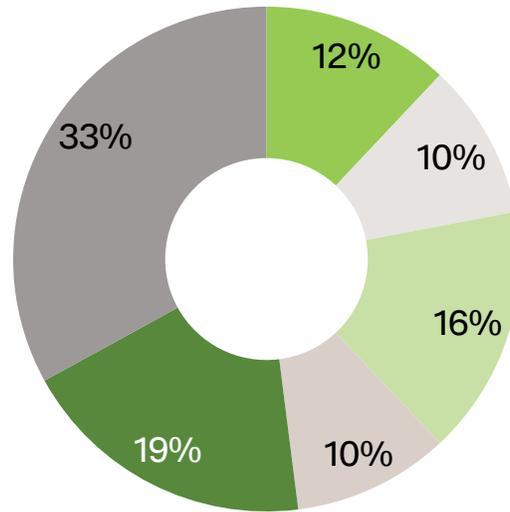


IOM Segment

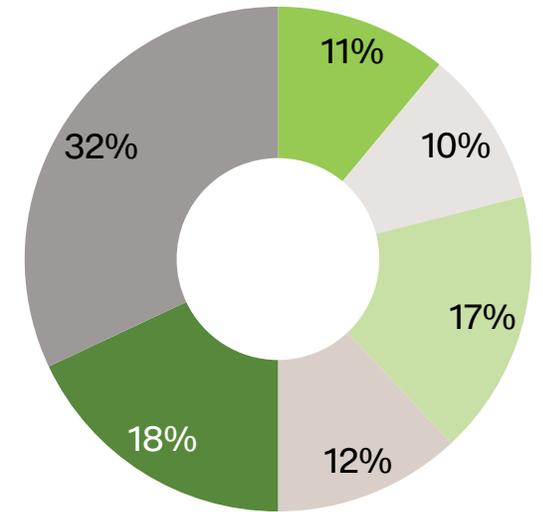
Powerful brand presence and modern asset base with an 89% franchised ownership mix*



Restaurants*



FY'25 Revenues



FY'25 Adj. Operating Income**



* As of 12/31/2025

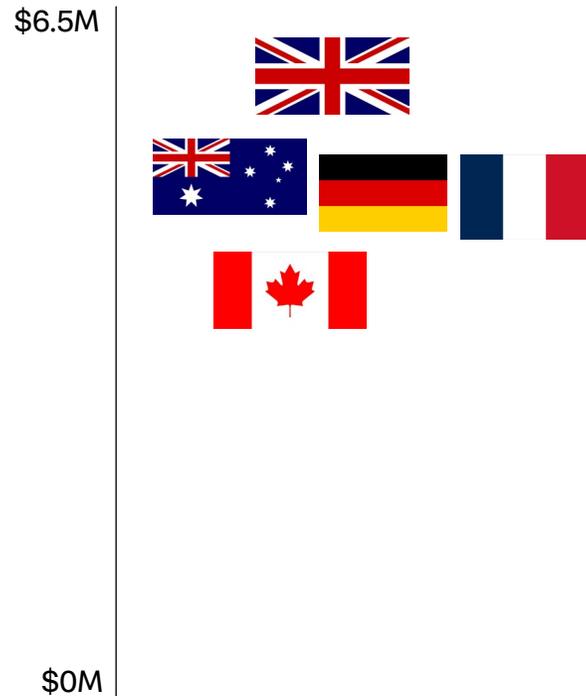
** Adjusted operating income is a non-GAAP financial measure. The equivalent GAAP measure is operating income. See the reconciliations at the end of the deck and

"Important Disclaimers" for more information

IOM Segment

High average unit volumes across markets

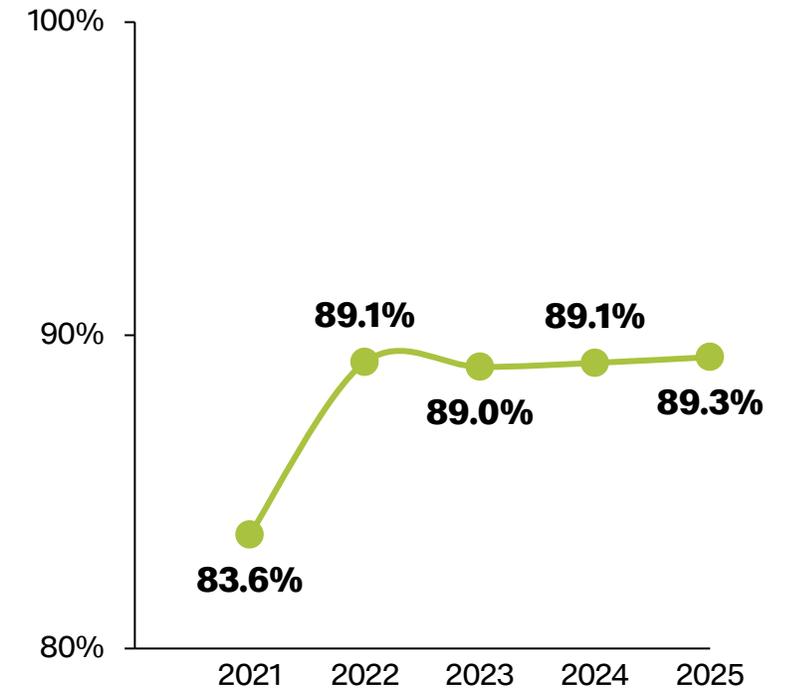
Average Unit Volumes* (In millions US \$)



% Drive Thru Restaurants*

Australia	85%
Canada	80%
France	80%
Germany	80%
U.K.	70%

% Franchised Restaurants**

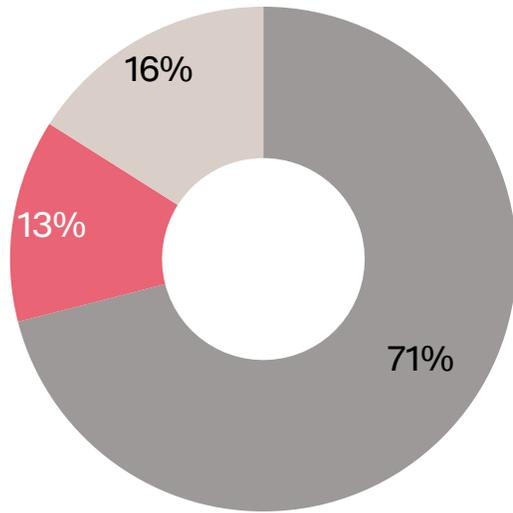


* As of 12/31/2025

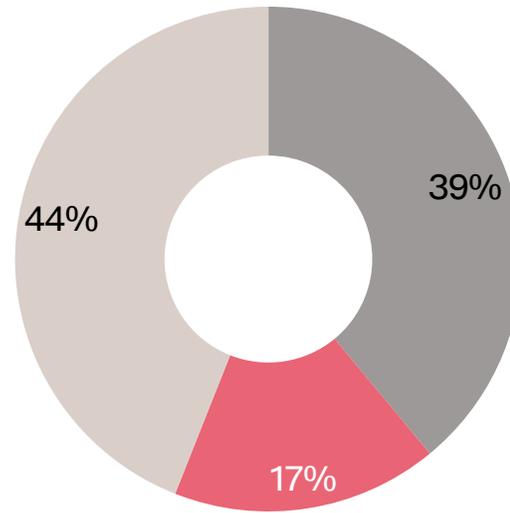
** Reflects the sale of the Company's business in Russia in the second quarter of 2022 (majority of restaurants in Russia were Company-owned)

IDL Segment

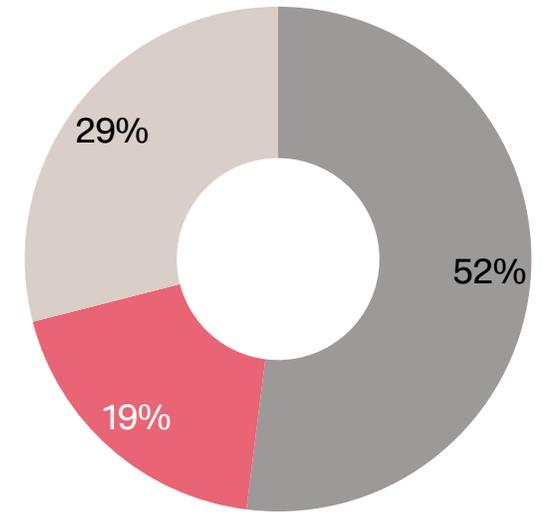
Geographically diverse segment comprised primarily of developmental licensees with a 99% franchised ownership mix*



Restaurants*



FY'25 Revenues



FY'25 Adj. Operating Income**

■ Asia ■ Latin America ■ EMEA (Europe + Middle East)

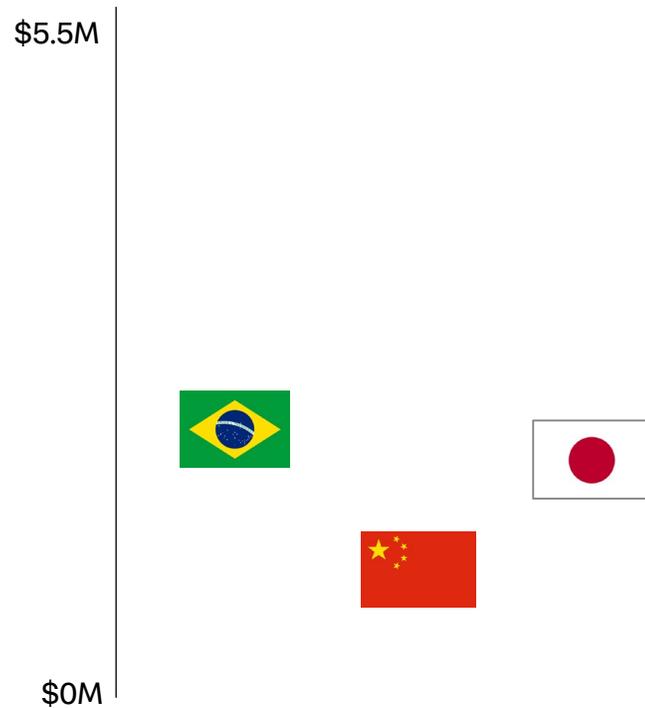
* As of 12/31/2025

** Excludes Corporate activities. Adjusted operating income is a non-GAAP financial measure. The equivalent GAAP measure is operating income. See the reconciliations at the end of the deck and "Important Disclaimers" for more information

IDL Segment

Highly franchised segment

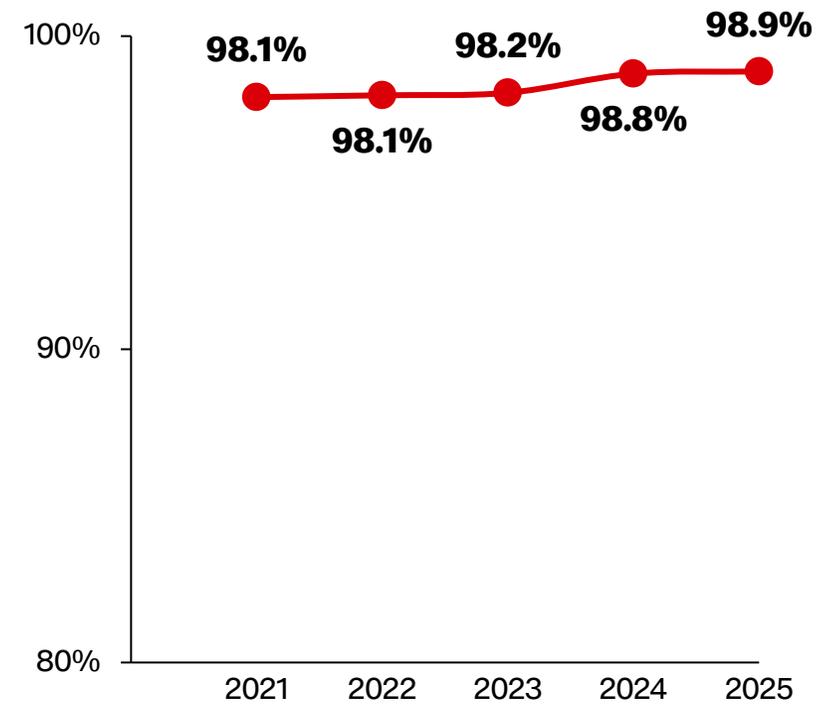
Average Unit Volumes* (In millions US \$)



% Drive Thru Restaurants*

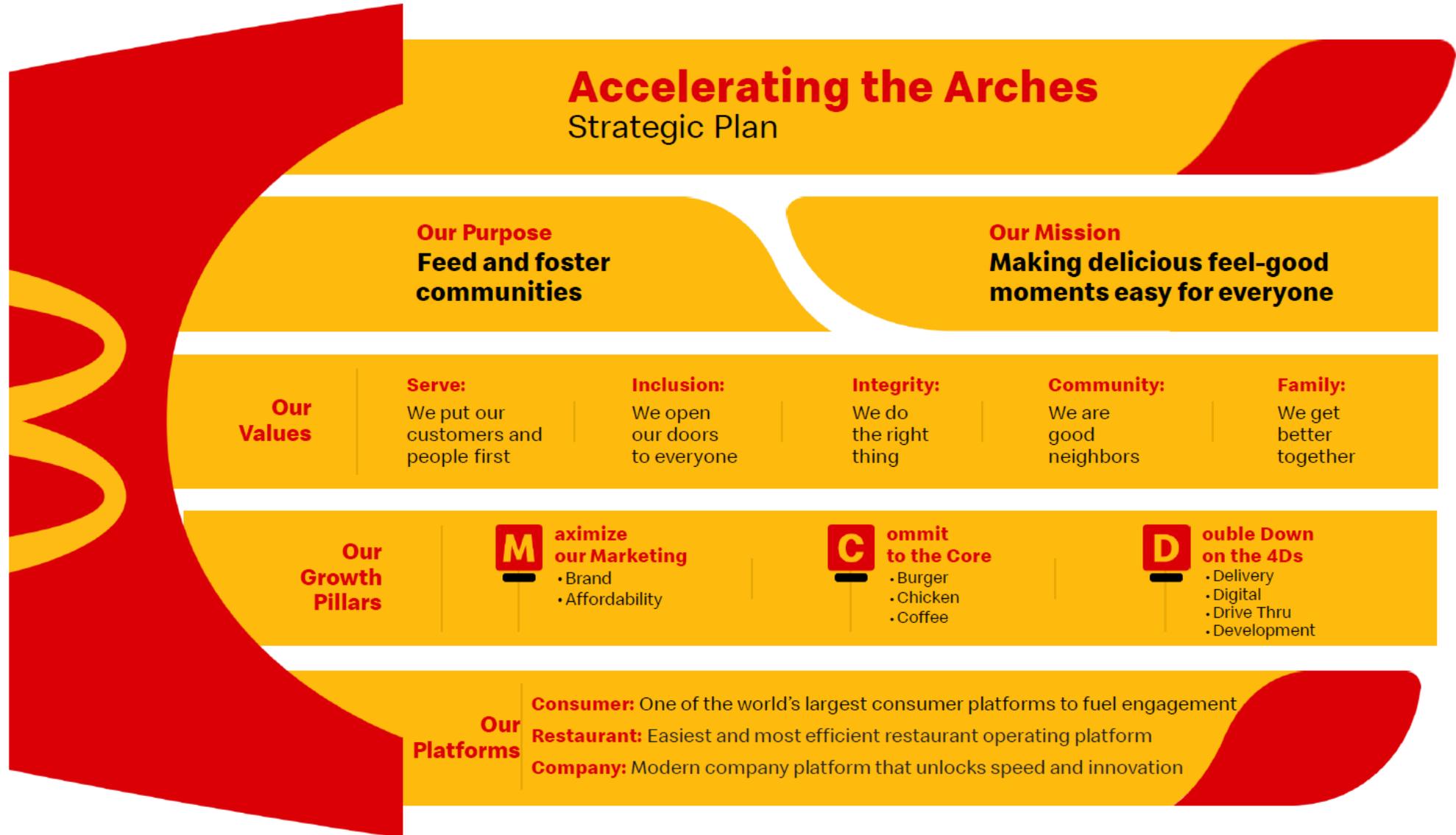
Brazil	55%
China	15%
Japan	55%

% Franchised Restaurants



Evolution of Accelerating the Arches Strategic Plan

Additions of Restaurant Development and Our Platforms



For more information on McDonald's strategy, see the [Accelerating the Arches](#) page of the McDonald's website

McDonald's Purpose & Impact

To feed and foster communities

Our Planet



A thriving planet is essential to our ability to **feed and foster communities**. We're taking actions that will help our business be more resilient in the future.

Food Quality and Sourcing



The safety and quality of our food are top priorities. We're working toward responsibly sourcing our priority commodities, promoting animal health and welfare and making safe, quality food accessible to families across the world.

Job, Inclusion & Empowerment



McDonald's is, and always has been, a people business. Guided by our values, we empower the people and communities we serve.

Community Connection



McDonald's has a unique connection with communities around the world. **When our communities thrive, so does McDonald's.**

McDonald's Purpose & Impact 2024 Highlights

Taking action on the issues most important to our business to help create long-term sustainable value

Our Planet

In 2024, approximately **89.6%** of restaurants in markets with advanced infrastructure offered guests the opportunity to recycle and/or compost packaging items.

The Company **conducted a water risk assessment** of its value chain across select suppliers and franchised restaurants, in addition to Company-owned and operated restaurants, to identify water-stressed areas.

Food Quality & Sourcing

As of the end of 2024, we **achieved our eight Broiler Welfare Commitments** across our in-scope markets.

As of the end of 2024, we **achieved our goal of phasing out the use of gestation stalls** (small, enclosed pens) for housing confirmed pregnant sows in McDonald's U.S. pork supply.

Nearly **60,000 food safety audits** were conducted at McDonald's restaurants in 2024.

Job, Inclusion & Empowerment

The 2024 pay equity analysis showed that women globally in Company-owned and operated markets were paid **99.93 cents on the dollar** in base pay on average of what men were paid for similar work, and there was **no base pay gap disfavoring URGs in the U.S.**

As of year-end 2024, the **Archways to Opportunity®** program had awarded over **\$230 million** in tuition assistance to nearly **69,000 restaurant staff** in the US.

Community Connection

We recommitted our investment in Chicago by **supporting a multimillion-dollar grants program**, which helps neighborhood organizations working to advance youth employment and education opportunities in the city.

The Company, along with its franchisees and customers, **donated more than \$230 million to Ronald McDonald House Charities in 2024.**

McDonald's Values

The backbone of our Brand is a commitment to a set of core values that define who we are and how we run our business and restaurants



Serve

We put our customers and people first



Inclusion

We open our doors to everyone



Integrity

We do the right thing



Community

We are good neighbors



Family

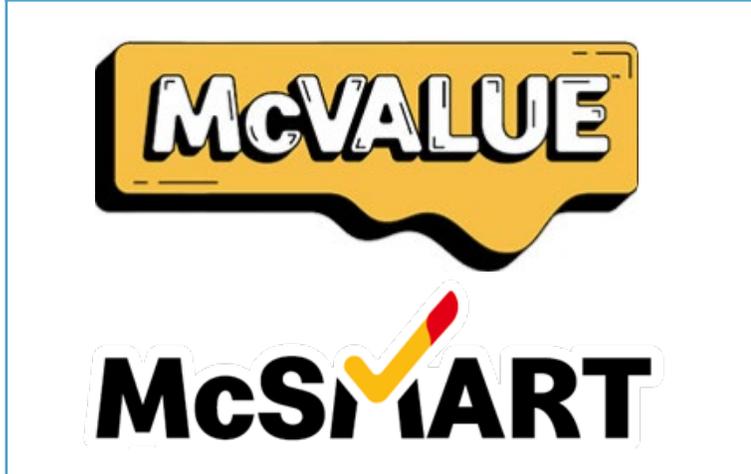
We get better together

McDonald's values are the filter through which all business decisions are made because **actions are bigger than words**

Maximize Our Marketing Growth Pillar

Tapping into the rituals and memories that are already special to McDonald's fans

Value Proposition



Value at every tier of the menu; providing delicious & affordable menu options is a cornerstone of the McDonald's Brand

Meet customer needs through everyday low-price options, affordable meal bundles, limited-time deals, and digital offers available in our mobile app

Brand at the Center



Fan Truths that build on customer affinity through relatability and cultural moments

Scaling **feel good marketing** around the globe to connect with customers in authentic ways

World Class Creative



Building brand equity by embracing **bold creative** and staying **connected to culture**

Communicating the story of our **brand, food and purpose** in creative ways that resonate with our fans

Commit to the Core Growth Pillar

Global core menu items represent more than 60% of total sales*

Cultural Relevance



Tap into customer demand for familiar favorites, serving our iconic products that are beloved by customers like our World Famous Fries® and Chicken McNuggets®

Global Core Menu



17 unique brand equities with >\$1B in sales including the Big Mac®, McCrispy® and McMuffins®

Menu Innovation



Focused on **gaining share in Chicken** by aggressively growing our chicken brands

Scaling emerging favorites, including McCrispy® and McSpicy®

Double Down on the 4Ds Growth Pillar

Unlocking growth by delivering a personalized and convenient customer experience

Digital



Loyalty users are highly engaged, with **nearly 210M 90-day active** users in 70 markets around the world

~\$37B in Systemwide sales* to loyalty members in 2025

Delivery



Delivery is in ~100 markets, representing nearly 90% of restaurants

Integrated McDelivery within the McDonald's app

Long-term strategic partnerships with delivery providers

Drive Thru



Nearly 29K drive thru locations globally, including >95% of U.S. locations

Competitive advantage in providing convenience and meeting customers' demand for flexibility & choice

Development



Accelerating our pace of development to capture demand

On track to reach **50,000 restaurants by the end of 2027**, making 2024-2027 the **fastest period of restaurant unit growth** in Company history

Foundation

Speed, accuracy, friendliness, and quality are correlated with business performance

PACE



Grading and consulting program active in nearly all major markets

Operational improvements in several key markets driven by dedicated support at lower-performing restaurants

Customer Satisfaction



Customer satisfaction improving across almost all markets

Even greater ambitions are fueled by gains in customer satisfaction and are a testament to the dedication of our restaurant teams

Speed of Service



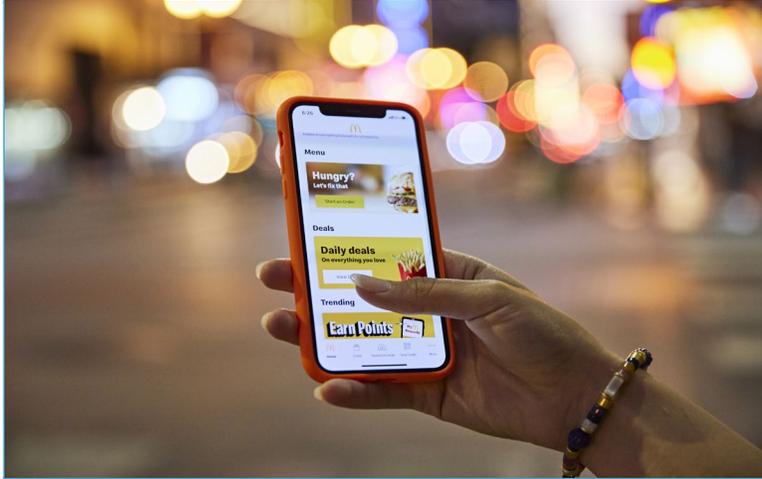
Increasingly faster despite a challenging labor environment

“Ready on Arrival,” enables crew to begin assembling a customer’s mobile order prior to their arrival at the restaurant to expedite service and elevate customer satisfaction

Technology-Enabled Platforms

Build on our competitive advantages and unlock new growth opportunities

Consumer



Creating **one of the world's largest consumer platforms**, which will bring together the best of our brand and utilize our physical and digital competitive advantages

Restaurant



Building the **easiest and most efficient restaurant operating platform**, enabling franchisees to run restaurants more efficiently and make the crew's jobs easier

Company



Building a **modern operating platform** that will **unlock speed and innovation** throughout the organization, becoming faster, more innovative and more efficient at solving problems

Category Management

Dedicated teams to execute with greater pace and focus on what it takes to win

Chicken



Global category that is **2x the size of Beef, and faster growing**

On track to **grow share by at least 1% by the end of 2026** (vs. Dec 2023 share)

Continuously **testing and learning** to meet the needs of consumers, crew and franchisees

Beef



Improving classics via “**Best Burger**”; a series of operational and formulation changes designed to deliver hotter, juicier, tastier burgers

Big Arch delivers a delicious, more satisfying burger that meets customers’ demand for something heartier while still feeling distinctly McDonald’s

Beverages & Desserts



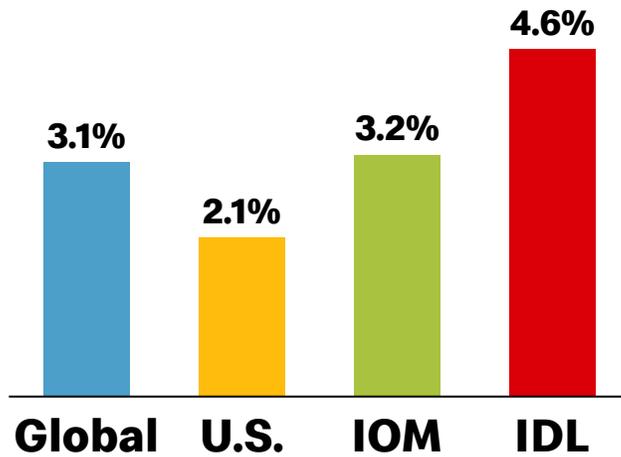
Focused on capturing share of this large and fast-growing category; **global market opportunity of >\$100 billion**

Launching **new beverage offerings** in the US and select international markets in 2026

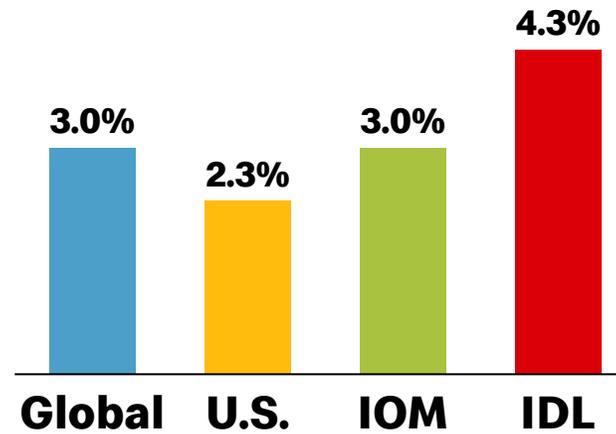
2025 Global and Segment Comp Sales

Driven by continued execution of the Accelerating the Arches strategy

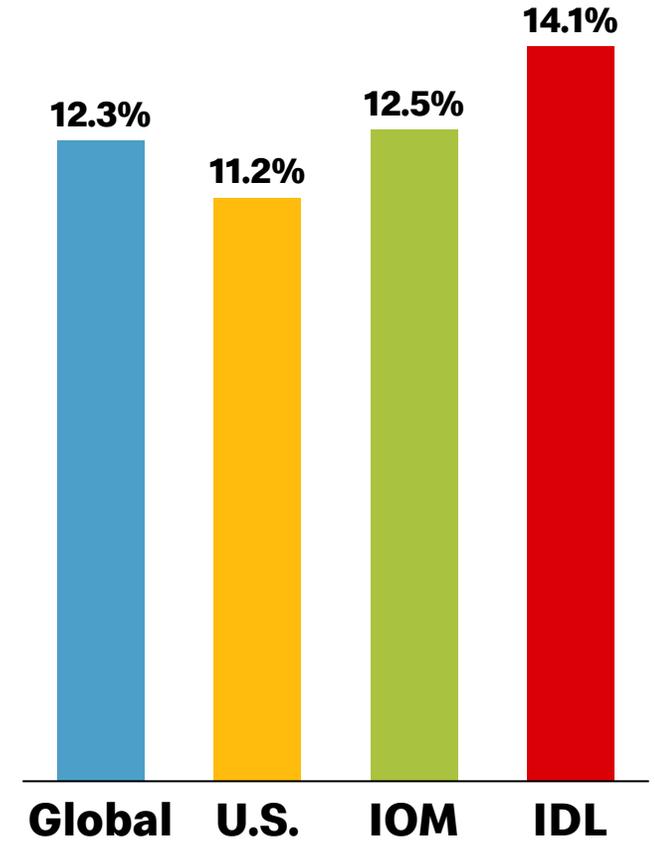
1-Year Comp Sales*



2-Year Comp Sales Stack**



3-Year Comp Sales Stack***

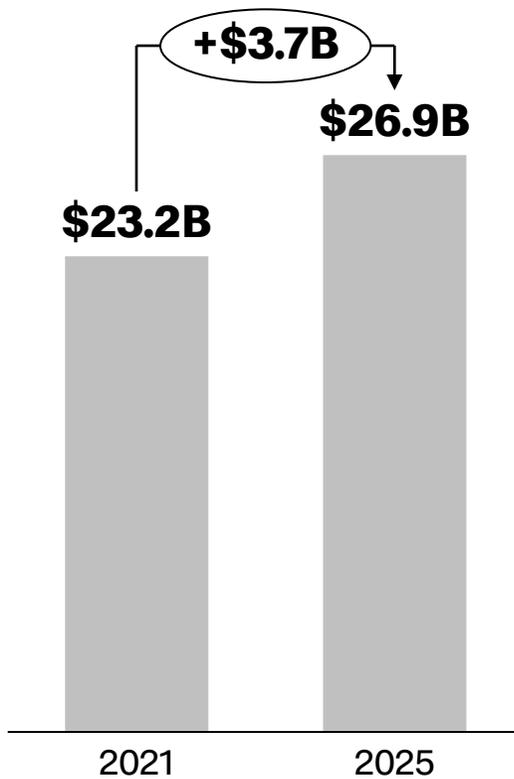


* Reflects growth over the prior year; ** Reflects growth over FY'23; *** Reflects growth over FY'22

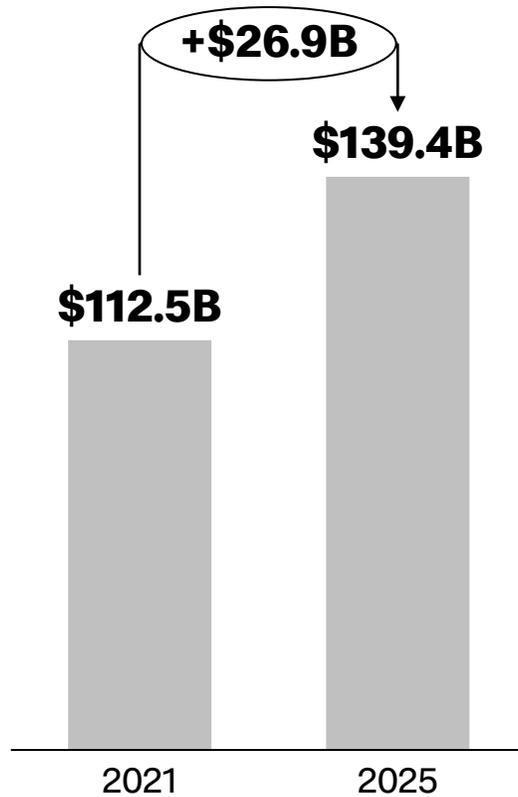
2025 Global Financial Overview

Strong growth over the last 5 years is a testament to the resilience of the business

Total Revenue



Systemwide Sales*



Other Financial Metrics

Franchised Revenue % of Franchised Sales**

US	14.2%
IOM	17.2%
IDL & Corp	5.4%

Global Franchised Margin	84.2%
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Global McOpCo Margin	14.7%
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Global G&A % of Systemwide Sales*	2.2%
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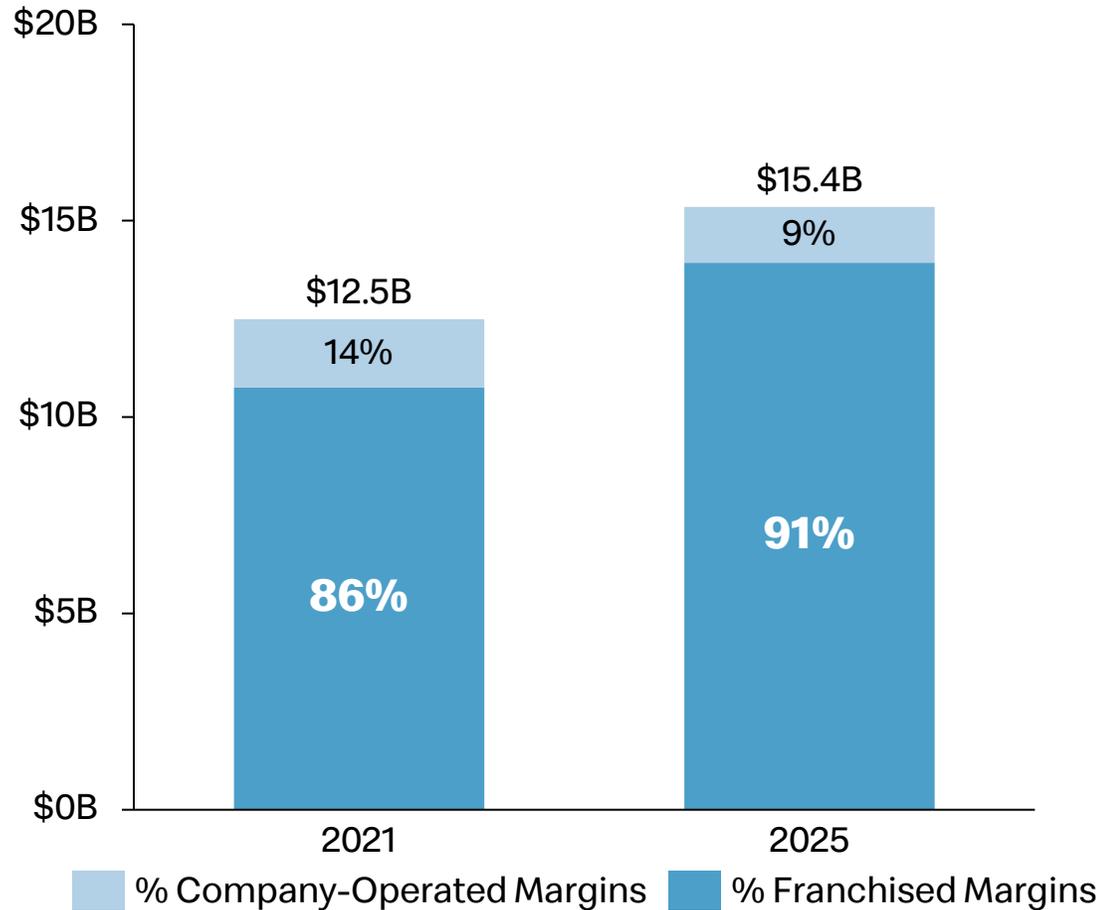
Free Cash Flow Conversion*	83.9%
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* Systemwide sales and free cash flow conversion are non-GAAP financial measures. There are no directly equivalent GAAP measures. See the calculation for free cash flow conversion at the end of the deck and "Important Disclaimers" for more information. ** Calculated as: Franchised Revenues divided by Franchised Sales for the segment

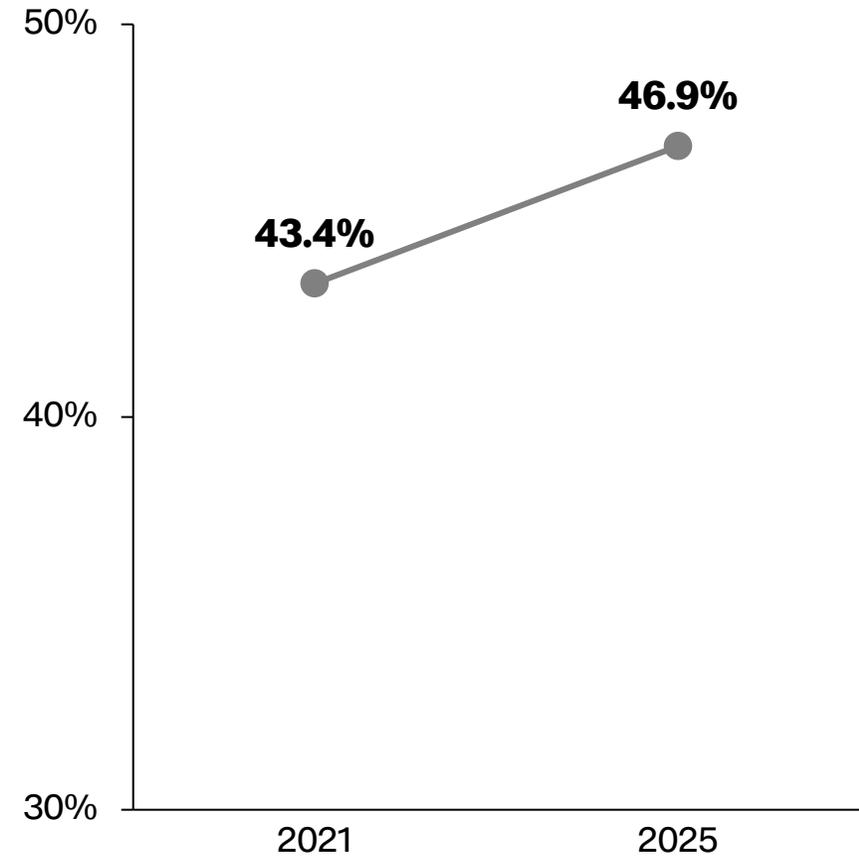
Adjusted Operating Margin*

Franchise margin represented ~90% of margin dollars in 2025, driving continued business model stability

Total Restaurant Margin \$s



Adjusted Operating Margin %*



* Adjusted operating margin is a non-GAAP financial measure. The equivalent GAAP measure is operating margin. See the reconciliations at the end of the deck and "Important Disclaimers" for more information

Capital Allocation Philosophy

Optimize and prioritize returning free cash flow to shareholders

Invest in the Business



Invest in opportunities to **grow the business** and **drive strong returns**, including capital expenditures and investments in technology, digital, and our Global Business Services (GBS) organization

Payout Dividends



Prioritize the Dividend

49 consecutive years of dividend increases

Repurchase Shares

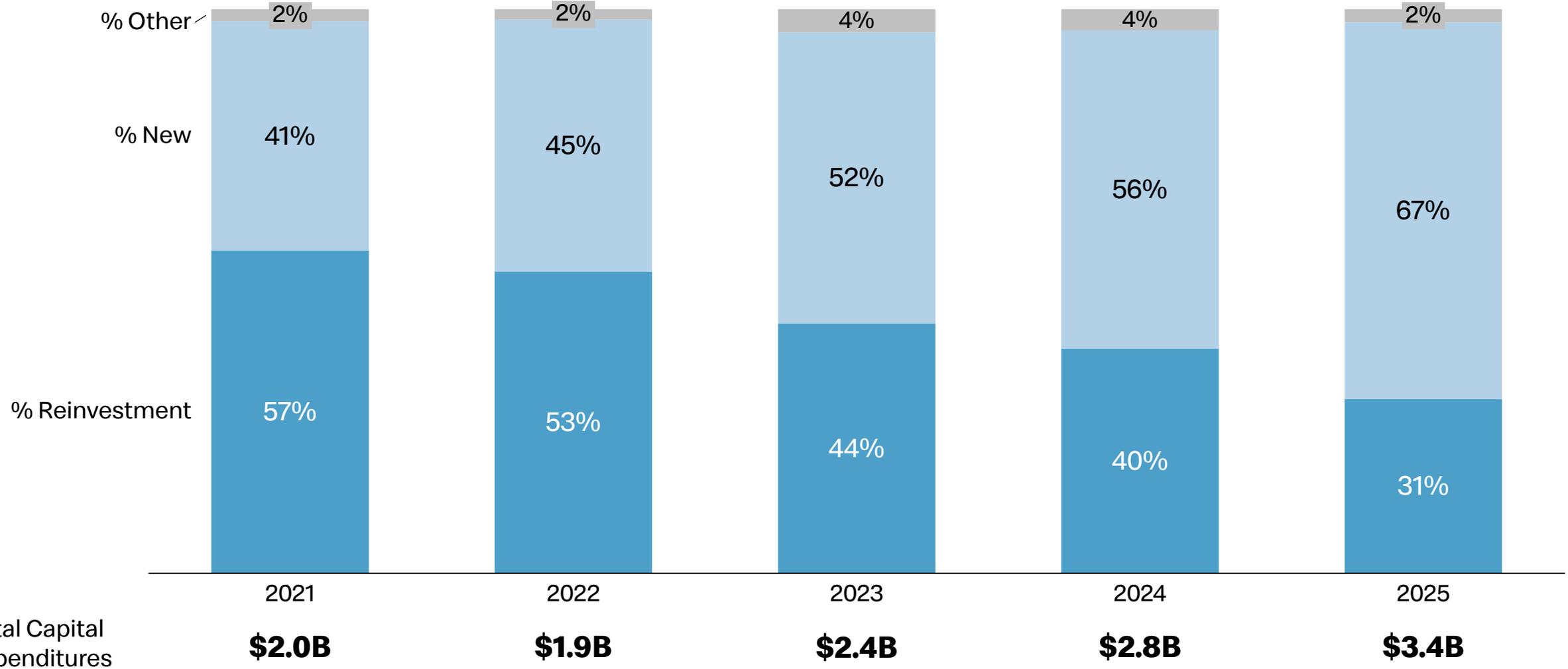


Repurchase shares with remaining free cash flow over time

Maintain a **strong balance sheet** while repurchasing shares

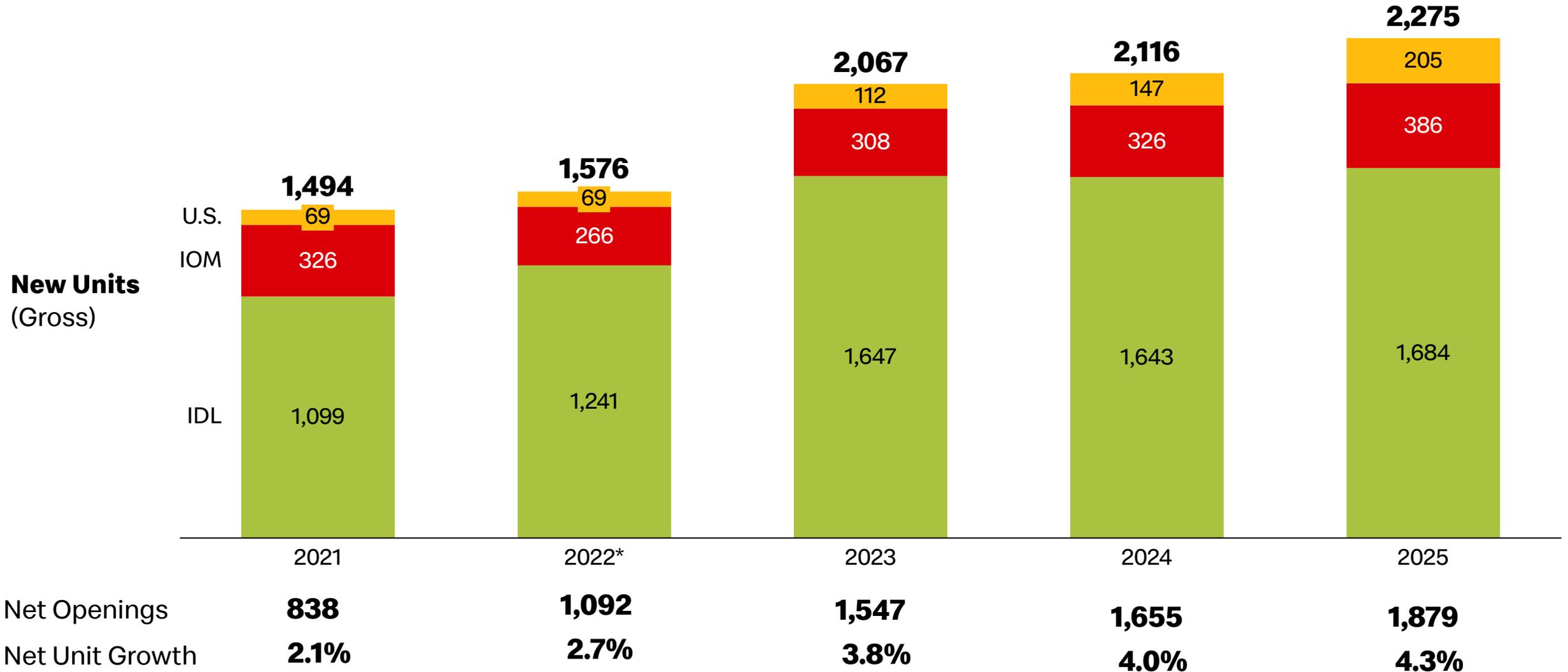
Capital Expenditures

Shift in capital expenditures from reinvestment to new units



Restaurant Openings

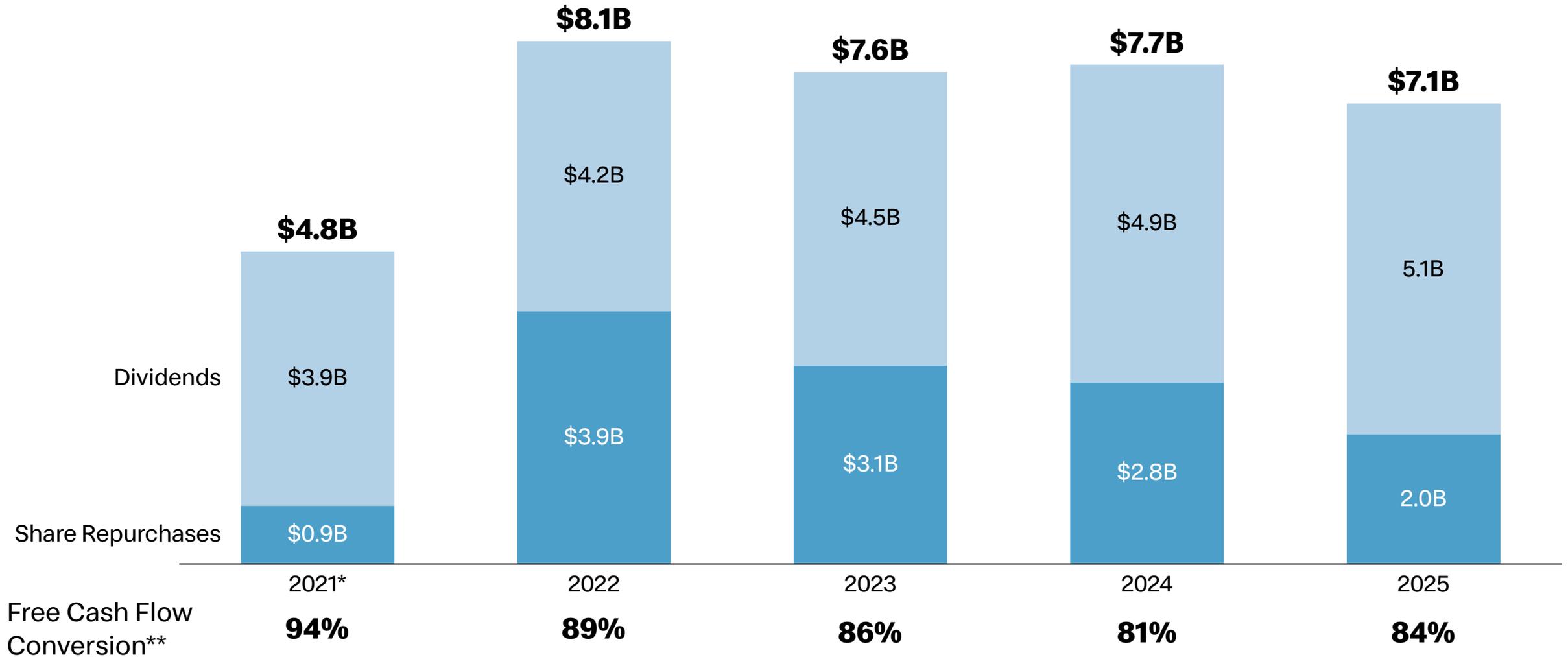
The pace of restaurant openings has increased



* Excludes the sale of the Company's business in Russia in the second quarter of 2022

Cash Returned to Shareholders

Consistently returned cash to shareholders via dividends and share repurchases over time

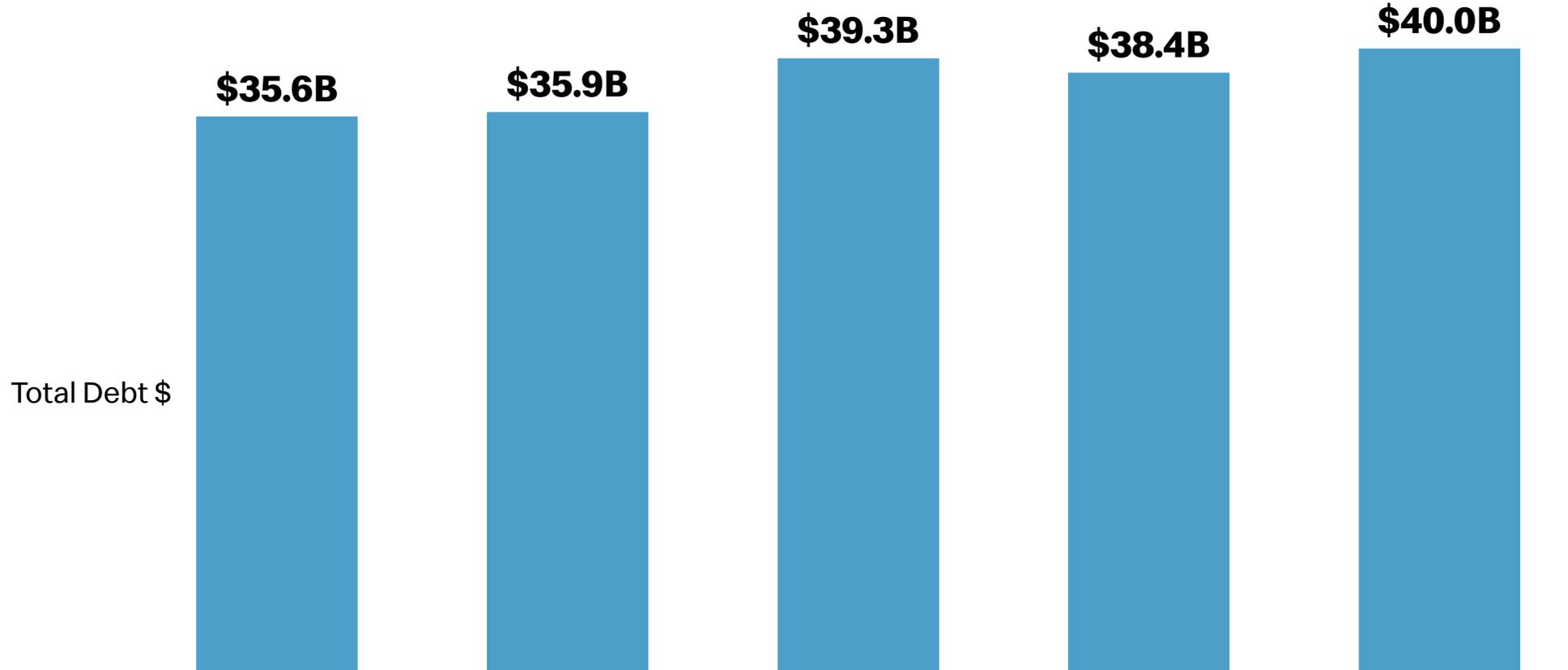


* Paused share repurchases March 2020 – September 2021 ** Free cash flow conversion is a non-GAAP financial measure. There is no directly equivalent GAAP measure.

See the calculation at the end of the deck and "Important Disclaimers" for more information.

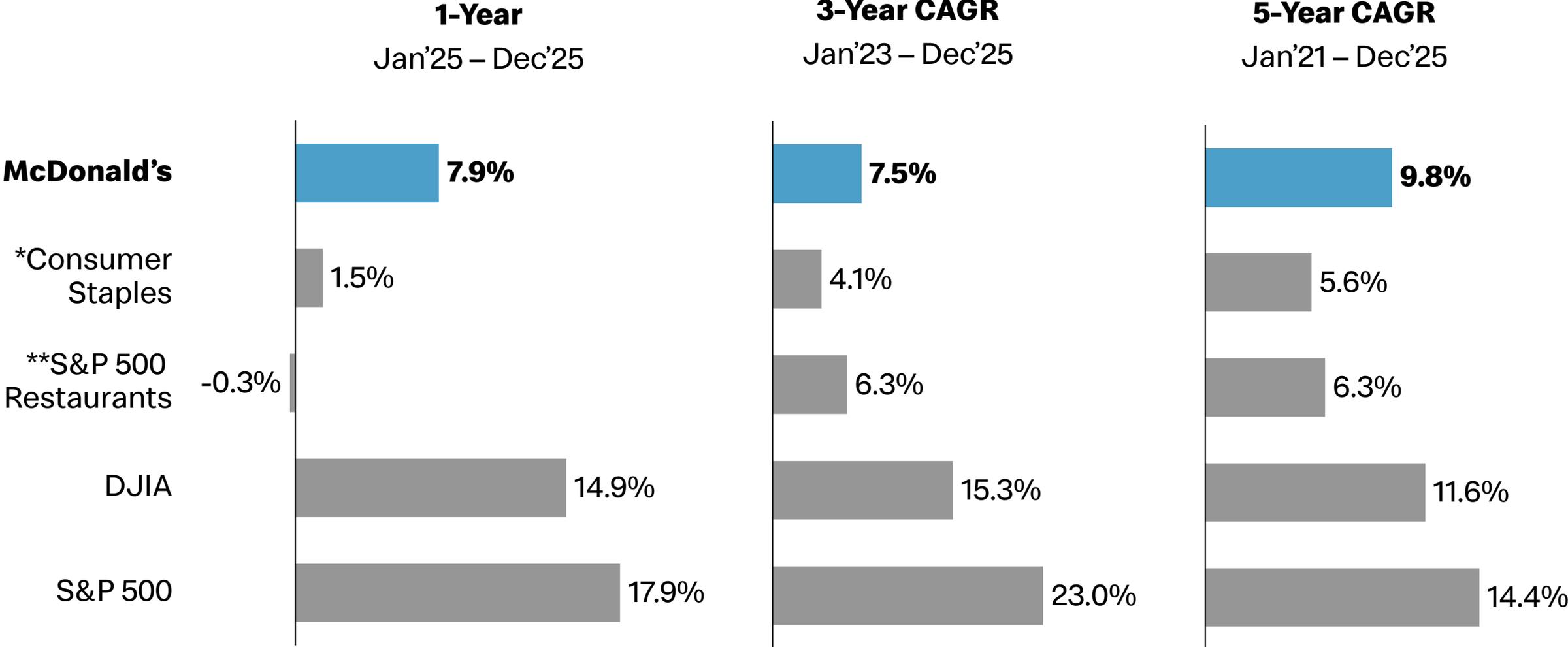
Capital Structure

Maintaining a strong investment grade credit rating



	2021	2022	2023	2024	2025	
Debt/EBITDA	3.0x	2.9x	2.8x	2.7x	2.7x	
Moody's Rating	Baa1	Baa1	Baa1	Baa1	Baa1	Stable Outlook
S&P Rating	BBB+	BBB+	BBB+	BBB+	BBB+	Stable Outlook

Total Shareholder Return Performance History



* Reflects XLP ETF performance

** Reflects S&P 500 Restaurants Sub Industry Index performance

Outlook*

Based on current conditions, the following is provided to assist in forecasting the Company's future results:

- The Company expects **net restaurant unit expansion** will contribute approximately 2.5% to 2026 Systemwide sales** growth, in constant currencies
- The Company expects full year 2026 **Selling, general and administrative expenses** of about 2.2% of Systemwide sales**
- The Company expects 2026 **operating margin** percent to be in the mid-to-high 40% range
- Based on current interest and foreign currency exchange rates, the Company expects **interest expense** for the full year 2026 to increase between 4% and 6% driven primarily by higher average interest rates
- The Company expects the **effective income tax rate** for the full year 2026 to be between 21% and 23%. Some volatility may result in a quarterly tax rate outside of the annual range
- The Company expects 2026 **capital expenditures** to be between \$3.7 and \$3.9 billion, with the majority directed towards new restaurant unit expansion across the U.S. and International Operated Markets. Globally, the Company expects to open approximately 2,600 restaurants in 2026, with about 750 restaurants opening in the U.S. and International Operated Markets, and developmental licensees and affiliates contributing capital towards more than 1,800 restaurant openings in their respective markets. The Company expects approximately 2,100 **net restaurant additions** in 2026. The Company also expects a sequential increase in capital expenditures of about \$300 million to \$500 million for 2027, targeting 50,000 global units by the end of 2027
- The Company expects to achieve a **free cash flow conversion**** rate in the low-to-mid 80% range for 2026

* Excerpted from the Company's Form 10-K filed on February 24, 2026; see "Important Disclaimers"

** Systemwide sales and free cash flow conversion are non-GAAP financial measures. There are no directly equivalent GAAP measures. See the calculation for free cash flow conversion at the end of the deck and "Important Disclaimers" for more information

Appendix: GAAP Reconciliations

Management believes adjusted operating income and adjusted operating margin are important in understanding the financial performance of the Company

Adjusted Operating Income & Adjusted Operating Margin (dollars in millions)		
	<u>2025</u>	<u>2021</u>
Operating income	\$12,393	\$10,356
Strategic charges	\$229	\$54
Gain on sale of MCD Japan shares	\$-	(\$339)
Adjusted operating income	<u>\$12,621</u>	<u>\$10,071</u>
Total revenues	<u>\$26,885</u>	<u>\$23,223</u>
Adjusted operating margin	<u>46.9%</u>	<u>43.4%</u>

Appendix: GAAP Reconciliations

Management believes free cash flow and free cash flow conversion are important in understanding the financial performance of the Company

Free Cash Flow & Free Cash Flow Conversion					
(dollars in millions)					
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Cash provided by operations	\$10,551	\$9,447	\$9,612	\$7,387	\$9,142
Less: Capital expenditures	\$3,365	\$2,775	\$2,357	\$1,899	\$2,040
Free cash flow	\$7,186	\$6,672	\$7,255	\$5,488	\$7,102
Net income	\$8,563	\$8,223	\$8,469	\$6,177	\$7,545
Free cash flow conversion	83.9%	81.1%	85.7%	88.8%	94.1%

