THIS VERSION IS FOR INFORMATIONAL PURPOSES ONLY
IT IS *NOT* FOR DISCLOSURE TO PROSPECTIVE FRANCHISEES

FRANCHISE DISCLOSURE DOCUMENT

McDonald's USA, LLC
a Delaware limited liability company
One McDonald's Plaza
Oak Brook, Illinois 60523
(630) 623-3000
www.mcdonalds.com

The franchisee will own and operate a quick service restaurant offering a limited menu of value-priced foods using the McDonald's System.

The total investment necessary to begin operation of a traditional McDonald's franchise ranges from $1,031,350 to $2,182,050 (see Item 7 for small town oil, small town retail, and Satellite locations). This includes an initial franchise fee of $45,000.00 (see Item 5 for small town oil, small town retail, and Satellite locations) that must be paid to the franchisor.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document**.

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Franchise Practice Group at 2915 Jorie Boulevard, Oak Brook, IL 60523 and (630) 623-6934.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: May 1, 2013

Item 19
Financial Performance Representations

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Of the approximately 11,984 domestic traditional McDonald's restaurants opened at least 1 year as of December 31, 2012, approximately 73% had annual sales volumes in excess of $2,200,000; approximately 62% had annual sales volumes in excess of $2,400,000; and approximately 51% had annual sales volumes in excess of $2,600,000 during 2012. The average annual sales volume of domestic traditional McDonald's restaurants open at least 1 year as of December 31, 2012, was $2,664,000 during 2012. The highest and lowest annual sales volume in 2012 for these domestic traditional McDonald's restaurants was $10,296,000 and $355,000, respectively.

The pro forma statements included below show annual sales volumes of $2,200,000, $2,400,000, and $2,600,000. These pro forma statements have been derived from independent franchisee traditional restaurant financial statements to provide information relevant to a prospective franchisee (see Note 1). Specific assumptions used in the presentation of these pro forma statements are indicated above and below each statement.

The pro forma statements are based upon a total of 8,754 independent franchisee traditional restaurants open and operated by a franchisee for at least 1 year. **A FRANCHISEE'S INDIVIDUAL FINANCIAL RESULTS MAY DIFFER FROM THE RESULTS STATED IN THE PRO FORMA STATEMENTS FOR THE REASONS DESCRIBED IN THIS ITEM OR FOR OTHER REASONS.** Substantiation of the data used in preparing the earnings claims, including computations of all actual or average profit or earnings, will be made available to prospective franchisees upon reasonable request.

It is anticipated that the information reported in these pro forma statements reflects the operating results before occupancy costs for independent franchisee restaurants open for at least 1 year. However, the operating income before occupancy cost figures appearing below should not be construed as the financial results or "profit" before occupancy costs which might be experienced by a franchisee with a similar sales volume or an indication that any particular sales volume will be obtained. An individual franchisee is likely to experience operating expense variations including, but not limited to, general insurance, legal and accounting fees, labor costs, and store management benefits (life and health insurance, etc.). Additionally, market conditions, operational and management methods employed by a franchisee, different geographic areas of the country, and menu price variations may significantly affect operating results. The nature of these variables makes it difficult to estimate the financial results for any particular franchisee or location.

PRODUCT SALES (see Note 2)	$2,200,000	100.0%	$2,400,000	100.0%	$2,600,000	100.0%
TOTAL COST OF SALES	692,000	31.5%	753,000	31.4%	815,000	31.3%
GROSS PROFIT	1,508,000	68.5%	1,647,000	68.6%	1,785,000	68.7%
OTHER OPERATING EXPENSES (excluding rent, service fees, depreciation and amortization (D&A), interest, and income taxes)*	938,000	42.6%	1,003,000	41.8%	1,069,000	41.1%
OPERATING INCOME BEFORE OCCUPANCY COSTS (excluding rent, service fees, D&A, interest, and income taxes) (see Note 3)**	570,000	25.9%	643,000	26.8%	716,000	27.6%

Of the 8,754 independent franchisee traditional restaurants included in the pro forma statements above, approximately 42% had operating income before occupancy costs greater than $570,000; approximately 30% had operating income before occupancy costs greater than $643,000; and approximately 21% had operating income before occupancy costs greater than $716,000.

*** OTHER OPERATING EXPENSES —** Includes, but is not limited to, the following costs: labor, franchisee's salary as manager, payroll taxes, advertising fee (as described in Item 6), promotion, outside services, linen, operating supplies, small equipment, maintenance and repair, utilities, office supplies, legal and accounting fees, insurance, real estate and personal property taxes, business operating licenses, and non-product income or expense. This is a combination of the Total Controllable Expenses and Other Operating Expenses excluding rent, service fees, D&A, and interest included in our typical store financial statements.

**** OPERATING INCOME BEFORE OCCUPANCY COSTS —** Represents Operating Income excluding rent, service fees, D&A, interest, and income taxes. The rent paid to McDonald's will vary based upon sales and McDonald's investment in land, site improvements, and building costs. Refer to Item 6 for information regarding franchise fees (including rent and service fees paid to McDonald's). D&A and interest will vary based upon the purchase price and required reinvestment of the specific restaurant acquired. Refer to Item 7 for a description of investment costs.

Additionally, organization overhead costs such as salaries and benefits of non-restaurant personnel (if any), cost of an automobile used in the business (if any), and other discretionary expenditures may significantly affect profits realized in any given operation. The nature of these variables makes it difficult to estimate the performance for any particular restaurant with sales of any given volume.

THESE SALES, PROFITS, OR EARNINGS ARE AVERAGES OF SPECIFIC RESTAURANTS AND SHOULD NOT BE CONSIDERED AS THE ACTUAL OR POTENTIAL SALES, PROFITS, OR EARNINGS THAT WILL BE REALIZED BY ANY OTHER FRANCHISEE. McDONALD'S DOES NOT REPRESENT THAT ANY FRANCHISEE CAN EXPECT TO ATTAIN THESE SALES, PROFITS, OR EARNINGS.

Note 1 — Data for McOpCo company restaurants is not included in the pro forma statements because of certain expenses that are typically incurred by a McOpCo-operated restaurant that are not incurred by restaurants franchised to individuals. If data for McOpCo-operated restaurants open for at least 1 year were included along with franchised restaurants, the percent of total restaurants in each category would not be statistically different and the range of Operating Income Before Occupancy Costs would be $587,000 to $734,000.

Note 2 — The description of this line, "Product Sales," is to clarify that only product sales are included. Non-product sales and associated costs are included in Other Operating Expenses.

Note 3 — We are not presenting average occupancy costs in the above calculation because a wide variety of rent charts and ownership options exist. In addition, the effective rent paid by a franchisee may be more in any particular month than the stated percent rent indicated in the franchisee's lease because a portion of the rent may be fixed regardless of the sales level for a given month. The range of effective rent percentages in 2012 for franchised restaurants was 0% to 37.31%. Refer to Item 6 for a description of rents.