

MCDONALDS CORP
Form 424B2
May 20, 2015

CALCULATION OF REGISTRATION FEE

| Title of Each Class of Securities to be Registered | Maximum Aggregate Offering Price | Amount of Registration Fee(1)(2) |
|---|---|---|
| Debt Securities (4.600% Medium-Term Notes Due 2045) | \$ 599,808,000 | \$ 69,697.69 |

(1) *Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended. No additional registration fee has been paid with respect to this offering.*

(2) *This Calculation of Registration Fee table shall be deemed to update the Calculation of Registration Fee table in the Registration Statement on Form S-3 (No. 333-184198), filed by McDonald's Corporation on September 28, 2012, in accordance with Rules 456(b) and 457(r) under the Securities Act of 1933, as amended.*

PRICING SUPPLEMENT NO. 5, Dated May 18, 2015

(To Prospectus Dated September 28, 2012 and
Prospectus Supplement Dated September 28, 2012)

McDONALD S CORPORATION

Medium-Term Notes

(Fixed Rate Notes)

Due From One Year to 60 Years From Date of Issue

The following description of the terms of the Notes offered hereby supplements, and, to the extent inconsistent therewith, replaces, the descriptions included in the Prospectus and Prospectus Supplement referred to above, to which descriptions reference is hereby made.

| | |
|--------------------------------|--|
| <u>Principal Amount:</u> | USD 600,000,000 |
| <u>Issue Price:</u> | 99.968% of the principal amount of the Notes |
| <u>Original Issue Date:</u> | May 26, 2015 |
| <u>Stated Maturity:</u> | May 26, 2045 |
| <u>Interest Rate:</u> | 4.600% per annum |
| <u>Interest Payment Dates:</u> | May 26 and November 26 of each year, commencing November 26, 2015 [Applicable only if other than February 15 and August 15 of each year] |
| <u>Regular Record Dates:</u> | May 12 and November 12 of each year, as the case may be [Applicable only if other than February 1 and August 1 of each year] |
| <u>Form:</u> | <input checked="" type="checkbox"/> Book-Entry <input type="checkbox"/> Certificated |
| <u>Specified Currency:</u> | |

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[Applicable only if other than U.S. dollars]

Option to Receive Payments in Specified Currency: Yes No

[Applicable only if Specified Currency is other than U.S. dollars and if Note is not in Book Entry form]

Authorized Denominations:

[Applicable only if other than U.S. \$1,000 and increments of U.S. \$1,000, or if Specified Currency is other than U.S. dollars]

Method of Payment of

Principal:

[Applicable only if other than immediately available funds]

Optional Redemption:

- The Notes cannot be redeemed prior to Stated Maturity.
- The Notes can be redeemed in whole or in part at any time prior to Stated Maturity at the option of McDonald's Corporation (the Company) as set forth below.

Optional Redemption Dates:

At any time prior to Stated Maturity at the option of the Company as set forth below.

Redemption Prices:

The Redemption Price shall initially be _____% of the principal amount of the Note to be redeemed and shall decline at each anniversary of the initial Optional Redemption Date by _____% of the principal amount to be redeemed until the Redemption Price is 100% of such principal amount; *provided, however*, that if this Note is an Original Issue Discount Note, the Redemption Price shall be the Amortized Face Amount of the principal amount to be redeemed.

Other: The Notes will be redeemable in whole or in part, at any time prior to November 26, 2044 (six months prior to Stated Maturity) at the Company's option, at a redemption price equal to the greater of:

(1) 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest on those Notes to the redemption date; or

(2) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed (not including any portion of payments of interest accrued as of the redemption date) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 25 basis points, plus accrued and unpaid interest on those Notes to the redemption date.

The Notes will be redeemable in whole or in part, at any time on or after November 26, 2044 (six months prior to Stated Maturity) at the Company's option, at a redemption price equal to 100% of the principal amount of such series of the Notes to be redeemed, plus accrued and unpaid interest on those Notes to the redemption date.

For purposes of the determination of the redemption price, the following definitions shall apply:

Business Day means any day that is not a day on which banking institutions in New York City are authorized or required by law or regulation to close.

Comparable Treasury Issue means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Notes to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes to be redeemed.

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Comparable Treasury Price means, with respect to any redemption date, the average of the available Reference Treasury Dealer Quotations for that redemption date.

Independent Investment Banker means one of the Reference Treasury Dealers selected by the Company.

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Reference Treasury Dealer means four primary U.S. Government securities dealers in New York City, New York (a Primary Treasury Dealer), which shall include Goldman, Sachs & Co.; J.P. Morgan Securities LLC; Merrill Lynch, Pierce, Fenner & Smith Incorporated; and Morgan Stanley & Co. LLC, and their respective successors; *provided, however*, that if any of the foregoing ceases to be a Primary Treasury Dealer, the Company shall substitute for it another Primary Treasury Dealer.

Reference Treasury Dealer Quotation means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted by that Reference Treasury Dealer at 5:00 p.m. (New York City time) on the third Business Day preceding the redemption date.

Treasury Rate means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue for the Notes to be redeemed, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the redemption date.

Unless the Company defaults in payment of the redemption price, after the redemption date interest will cease to accrue on the Notes or portion of the Notes called for redemption.

Sinking Fund: The Notes are not subject to a Sinking Fund.
 The Notes are subject to a Sinking Fund.

Sinking Fund Dates:

Sinking Fund Amounts:

Amortizing Note: Yes No

Amortizing Schedule:

| <u>Repayment Date</u> | <u>Repayment Amount</u> | <u>Outstanding Balance Following Repayment Amount</u> |
|-----------------------|-------------------------|---|
|-----------------------|-------------------------|---|

Optional Repayment: Yes No

Optional Repayment Dates:

Optional Repayment Prices:

Original Issue Discount Note: Yes No

Total Amount of OID:

Yield to Stated Maturity:

Initial Accrual Period OID:

Calculation Agent (if other than Principal Paying Agent):

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Agents Discount: 0.875% of the principal amount of the Notes

Net proceeds to Company: 99.093% of the principal amount of the Notes

Agents Capacity: o Agent x Principal

Agents:

Joint Bookrunners: Citigroup Global Markets Inc.
 Goldman, Sachs & Co.
 J.P. Morgan Securities LLC
 Merrill Lynch, Pierce, Fenner & Smith
 Incorporated
 Mizuho Securities USA Inc.
 Morgan Stanley & Co. LLC
 Wells Fargo Securities, LLC

Co-Managers: ANZ Securities, Inc.
 Blaylock Beal Van, LLC
 Lebenthal & Co., LLC
 Loop Capital Markets LLC
 Mitsubishi UFJ Securities (USA), Inc.
 RBC Capital Markets, LLC
 Samuel A. Ramirez & Company, Inc.
 Scotia Capital (USA) Inc.
 SG Americas Securities, LLC
 SunTrust Robinson Humphrey, Inc.
 The Williams Capital Group, L.P.
 U.S. Bancorp Investments, Inc.

CUSIP: 58013MEV2

Plan of Distribution:

| Agent | Principal Amount |
|---|------------------|
| Goldman, Sachs & Co. | \$ 108,000,000 |
| J.P. Morgan Securities LLC | 108,000,000 |
| Merrill Lynch, Pierce, Fenner & Smith Incorporated | 108,000,000 |
| Morgan Stanley & Co. LLC | 108,000,000 |
| Citigroup Global Markets Inc. | 36,000,000 |
| Mizuho Securities USA Inc. | 36,000,000 |
| Wells Fargo Securities, LLC | 36,000,000 |
| ANZ Securities, Inc. | 6,000,000 |
| Mitsubishi UFJ Securities (USA), Inc. | 6,000,000 |
| RBC Capital Markets, LLC | 6,000,000 |
| Scotia Capital (USA) Inc. | 6,000,000 |
| SG Americas Securities, LLC | 6,000,000 |

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|-----------------------------------|----------------|
| SunTrust Robinson Humphrey, Inc. | 6,000,000 |
| The Williams Capital Group, L.P. | 6,000,000 |
| U.S. Bancorp Investments, Inc. | 6,000,000 |
| Blaylock Beal Van, LLC | 3,000,000 |
| Lebenthal & Co., LLC | 3,000,000 |
| Loop Capital Markets LLC | 3,000,000 |
| Samuel A. Ramirez & Company, Inc. | 3,000,000 |
| Total: | \$ 600,000,000 |

United States Tax Considerations:

The text under United States Tax Considerations U.S. Holders in the Prospectus Supplement, dated September 28, 2012, summarizes certain U.S. federal income tax considerations that may be relevant to a holder of a note that is a U.S. holder (as defined therein). The paragraph under the caption United States Tax Considerations U.S. Holders Information Reporting and Backup Withholding is amended to read in its entirety as follows:

The paying agent or other reporting agent will be required to file information returns with the IRS with respect to payments made to certain U.S. holders. In addition, certain U.S. holders may be subject to a backup withholding tax (currently at a rate of 28%) in respect of these payments if they do not provide their taxpayer identification numbers to the paying agent or other reporting agent.

The text under United States Tax Considerations Non-U.S. Holders in the Prospectus Supplement, dated September 28, 2012, summarizes certain U.S. federal income tax considerations that may be relevant to a holder of a note that is a non-U.S. holder (as defined therein). The paragraph under the caption United States Tax Considerations Non-U.S. Holders is amended to read in its entirety as follows:

If a holder is a non-resident alien individual or a foreign corporation that is the beneficial owner of the notes (a non-U.S. holder):

(a) payments of interest (including any original issue discount) on a note made to such non-U.S. holder will not be subject to withholding of U.S. federal income tax, provided that, with respect to payments of interest on a note, (i) the non-U.S. holder does not actually or constructively own 10 percent or more of the combined voting power of all classes of our stock and is not a controlled foreign corporation related to us through stock ownership; (ii) the beneficial owner provides a statement signed under penalties of perjury (typically, on IRS Form W-8BEN or W-8BEN-E) that includes its name and address and certifies that it is a non-U.S. holder in compliance with applicable requirements (or satisfies certain documentary evidence requirements for establishing that it is a non-U.S. holder); (iii) the non-U.S. holder has provided any direct or indirect information with respect to its direct and indirect U.S. owners; and (iv) if the non-U.S. holder or any intermediary through which it holds notes is a foreign financial institution (as defined below), each such entity has entered into an agreement with the U.S. government, pursuant to which it agrees, among other responsibilities, to collect and provide to the U.S. tax authorities information about its direct and indirect U.S. accountholders and investors, or otherwise establishes an exemption; and

(b) such non-U.S. holder will not be subject to U.S. federal income tax on gain realized on the sale, exchange or redemption of the note, provided that, (i) the gain of such holder is not effectively connected with the holder's conduct of a trade or business in the United States (and, if certain treaties apply, is not attributable to a permanent establishment maintained by the non-U.S. holder within the United States); (ii) if the non-U.S. holder is an individual holder, such holder is not present in the United States for 183 days or more in the taxable year of the sale,

exchange or redemption (and does not satisfy certain other conditions); and (iii) in the case of a sale, exchange, redemption or other taxable disposition of a note effected on or after January 1, 2017, (x) the non-U.S. holder has provided any direct or indirect information with respect to its direct and indirect U.S. owners; and (y) if the non-U.S. holder or any intermediary through which it holds notes is a foreign financial institution (as defined below), each such entity has entered into an agreement with the U.S. government, pursuant to which it agrees, among other responsibilities, to collect and provide to the U.S. tax authorities information about its direct and indirect U.S. accountholders and investors, or otherwise establishes an exemption.

If U.S. tax is imposed as a result of a failure to comply with the documentation requirements described in clauses (a)(iii) and (iv) or (b)(iii) above, the beneficial owner may be entitled to a refund if the required information is provided to the IRS.

For purposes of the discussion in paragraphs (a) and (b) above, a foreign financial institution generally is a non-U.S. entity that (i) accepts deposits in the ordinary course of a banking or similar business; (ii) as a substantial portion of its business, holds financial assets for the account of others; or (iii) is engaged (or holds itself out as being engaged) primarily in the business of investing, reinvesting, or trading in securities, partnership interests or commodities, or interests in securities, partnership interests or commodities.

U.S. information reporting requirements and backup withholding tax will not apply to payments on a note made to a non-U.S. holder if the statement described in paragraph (a)(ii) above is duly provided.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a holder's U.S. federal income tax liability. A holder may obtain a refund of any excess amounts withheld under the backup withholding rules by filing the appropriate claim for a refund with the IRS and furnishing the required information.

Legal Matters

The text under Legal Matters in both the Prospectus, dated September 28, 2012, and the Prospectus Supplement, dated September 28, 2012, is amended and restated in its entirety to read as follows:

Either Gloria Santona, our Corporate Executive Vice President, General Counsel and Secretary, or Robert L. Switzer, our Corporate Vice President Associate General Counsel and Assistant Secretary, will pass upon the validity of the notes for us. Ms. Santona and Mr. Switzer, each of whom is a full-time employee of ours, own, and have the right to acquire, through the exercise of options or otherwise, shares of our common stock directly and as a participant in various employee benefit plans.

Sidley Austin LLP, Chicago, Illinois, will pass upon the validity of the notes for the agents.