

PAPA JOHNS INTERNATIONAL INC

Form 10-Q

October 31, 2017

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 24, 2017

OR

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number: 0-21660

PAPA JOHN'S INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Delaware

61-1203323

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(State or other jurisdiction of  
incorporation or organization)

(I.R.S. Employer Identification  
number)

2002 Papa John's Boulevard

Louisville, Kentucky 40299-2367

(Address of principal executive offices)

(502) 261-7272

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

At October 24, 2017, there were outstanding 35,042,057 shares of the registrant's common stock, par value \$0.01 per share.



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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

## Papa John's International, Inc. and Subsidiaries

## Condensed Consolidated Balance Sheets

(In thousands, except per share amounts)	September 24, 2017 (Unaudited)	December 25, 2016
Assets		
Current assets:		
Cash and cash equivalents	\$ 39,543	\$ 15,563
Accounts receivable, net	63,266	59,691
Notes receivable, net	3,829	3,417
Income taxes receivable	577	2,372
Inventories	28,369	25,132
Prepaid expenses	14,846	24,105
Other current assets	8,885	9,038
Assets held for sale	8,274	6,257
Total current assets	167,589	145,575
Property and equipment, net	236,812	230,473
Notes receivable, less current portion, net	10,921	10,141
Goodwill	86,825	85,529
Deferred income taxes	289	769
Other assets	48,492	40,078
Total assets	\$ 550,928	\$ 512,565
Liabilities and stockholders' equity (deficit)		
Current liabilities:		
Accounts payable	\$ 38,235	\$ 42,701
Income and other taxes payable	10,443	8,540
Accrued expenses and other current liabilities	69,376	76,789
Current portion of long-term debt	20,000	—
Total current liabilities	138,054	128,030
Deferred revenue	2,987	3,313
Long-term debt, less current portion, net	378,548	299,820
Deferred income taxes		