

PAPA JOHNS INTERNATIONAL INC
Form 10-Q
August 06, 2013

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 June 30, 2013

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
(State or other	(I.R.S. Employer
jurisdiction of	Identification
incorporation or	number)
organization)	

2002 Papa Johns 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 or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller

reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

At July 30, 2013, there were outstanding 21,732,784 shares of the registrant’s common stock, par value \$0.01 per share.

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PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements

Papa John's International, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets

(In thousands)	June 30, 2013 (Unaudited)	December 30, 2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 28,236	\$ 16,396
Accounts receivable, net	43,235	44,647
Notes receivable	3,440	4,577
Inventories	21,722	22,178
Deferred income taxes	7,715	10,279
Prepaid expenses	10,782	12,782
Other current assets	7,804	7,767
Total current assets	122,934	118,626
Property and equipment, net	201,942	196,661
Notes receivable, less current portion, net	13,839	12,536
Goodwill	78,088	78,958
Other assets	32,675	31,627
Total assets	\$ 449,478	\$ 438,408
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 28,728	\$ 32,624
Income and other taxes payable	1,407	10,429
Accrued expenses and other current liabilities	51,950	60,528
Total current liabilities	82,085	103,581
Deferred revenue	6,736	7,329
Long-term debt	133,241	88,258
Deferred income taxes	11,955	10,672
Other long-term liabilities	40,858	40,674
Total liabilities	274,875	250,514
Redeemable noncontrolling interests	6,846	6,380
Stockholders' equity:		
Preferred stock	-	-
Common stock	373	371
Additional paid-in capital	288,214	280,905
Accumulated other comprehensive income	786	1,824
Retained earnings	392,917	356,461
Treasury stock	(514,533)	(458,047)
Total stockholders' equity	167,757	181,514
Total liabilities, redeemable noncontrolling interests and stockholders' equity	\$ 449,478	\$ 438,408

See accompanying notes.

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Papa John's International, Inc. and Subsidiaries
 Consolidated Statements of Income
 (Unaudited)

(In thousands, except per share amounts)	Three Months Ended		Six Months Ended	
	June 30, 2013	June 24, 2012	June 30, 2013	June 24, 2012
North America revenues:				
Domestic Company-owned restaurant sales	\$155,153	\$143,527	\$313,051	\$287,342
Franchise royalties	20,230	19,101	40,963	39,619
Franchise and development fees	219	206	765	428
Domestic commissary sales	140,003	126,593	283,897	264,203
Other sales	12,444	11,771	25,051	