

## Papa John's (PZZA)

**\$40.98** (Stock Price as of 12/17/2025)

Price Target (6-12 Months): **\$33.00**

Long Term: 6-12 Months

**Zacks Recommendation: Underperform**

(Since: 10/20/25)

Prior Recommendation: Neutral

Short Term: 1-3 Months

**Zacks Rank: (1-5)**

**5-Strong Sell**

Zacks Style Scores:

VGM: C

Value: B

Growth: C

Momentum: D

### Summary

Shares of Papa John's have underperformed the industry in the past year. The company reported third-quarter fiscal 2025 results, with adjusted earnings and revenues missing the Zacks Consensus Estimate. The top line increased year over year, while the bottom line declined from the prior-year quarter's figure. Papa John's continues to navigate a challenging operating environment marked by muted consumer sentiment and elevated competitive pressures. The company noted economic strain among lower-income households, leading to declines in small-ticket digital orders and transaction softness. It expects softer demand, unfavorable mix trends and heightened promotional intensity to persist through late 2025 and into 2026. Also, elevated costs remain a concern. Earnings estimates for fiscal 2025 have declined in the past 30 days.

### Data Overview

52 Week High-Low	\$55.74 - \$30.16
20 Day Average Volume (sh)	655,957
Market Cap	\$1.3 B
YTD Price Change	-0.4%
Beta	1.16
Dividend / Div Yld	\$1.84 / 4.5%
Industry	<a href="#">Retail - Restaurants</a>
Zacks Industry Rank	Bottom 24% (184 out of 243)

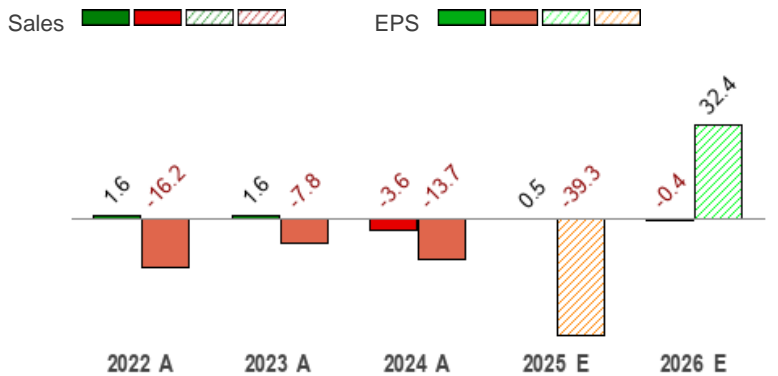
Last EPS Surprise	-20.0%
Last Sales Surprise	-3.4%
EPS F1 Est- 4 week change	-6.5%
Expected Report Date	02/26/2026
Earnings ESP	0.3%

P/E TTM	23.8
P/E F1	28.9
PEG F1	-2.8
P/S TTM	0.6

### Price, Consensus & Surprise<sup>(1)</sup>



### Sales and EPS Growth Rates (Y/Y %)<sup>(2)</sup>



### Sales Estimates (millions of \$)<sup>(2)</sup>

	Q1	Q2	Q3	Q4	Annual*
2026	504 E	515 E	514 E	530 E	2,062 E
2025	518 A	529 A	508 A	514 E	2,070 E
2024	514 A	508 A	507 A	531 A	2,059 A

### EPS Estimates<sup>(2)</sup>

	Q1	Q2	Q3	Q4	Annual*
2026	0.49 E	0.47 E	0.43 E	0.50 E	1.88 E
2025	0.36 A	0.41 A	0.32 A	0.33 E	1.42 E
2024	0.67 A	0.61 A	0.43 A	0.63 A	2.34 A

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/17/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 11/21/2025.

## Overview

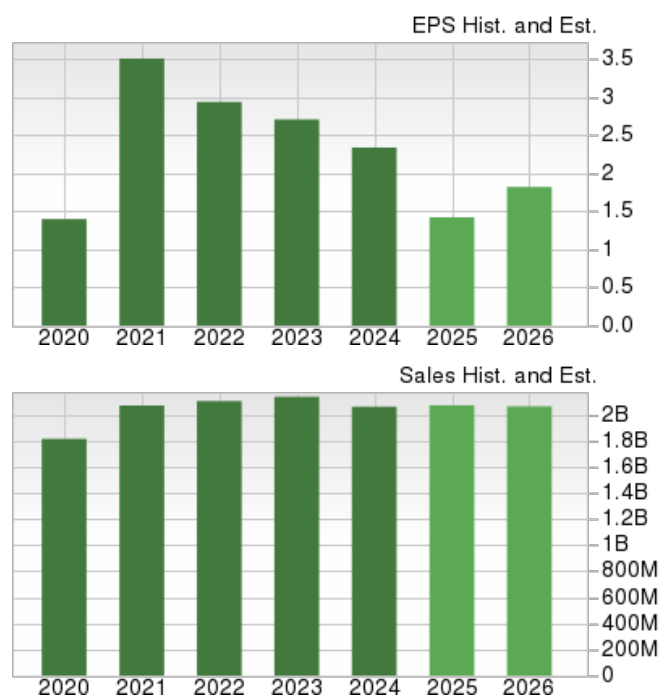
Headquartered in Louisville, KY, Papa John's began its operations in 1984. This Delaware Corporation, operates and franchises pizza delivery and carryout restaurants in the United States and other specific international markets. The company's dine-in and delivery restaurants operate under the brand name Papa John's.

As of June 29, 2025, the company had global restaurant count of 5,989 with operations in 50 countries and territories worldwide. Of these, 554 were company-owned and the remaining 5,435 were franchised restaurants. Meanwhile, 2,472 restaurants are operating internationally.

Papa John's reportable segments include domestic company-owned restaurants, domestic commissaries, North America franchising and international operations. North America encompasses operations in the United States and Canada. Domestic incorporates the adjoining areas of the United States. International franchisees are defined as all franchise operations outside of the United States and Canada.

Papa John's has been reeling under negative publicity for quite a long time, owing to the denouncement of its ex-CEO, John H. Schnatter, on the grounds of a racial slur. Ever since Papa John's has been trying to make significant changes in its board and is trying to revive consumer sentiment.

The company directed its efforts toward implementing strategic objectives and establishing a groundwork for sustained success amid a challenging macroeconomic environment. It is emphasizing the 'Back to BETTER 2.0' campaign to boost systemwide sales by amplifying national marketing investments and efficacy in North America and expediting North America development. They are refining the Domestic Commissary operations to deliver cost reductions for franchisees and additional profits for their business model.



As of 11/21/2025



As of 12/17/2025

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## Reasons To Sell:

▼ **Macro-Economic Challenges Persist:** Papa John's continues to operate against a backdrop of soft consumer sentiment and heightened competitive intensity in the North American quick-service restaurant landscape. Management noted that macro pressures remain most acute among lower-income households, where discretionary spending has weakened and smaller basket sizes have become more common. This cohort — representing a meaningful share of small-ticket web orders — saw the steepest pullback during the quarter, contributing to a decline in transactions and a shift toward more value-oriented purchasing behavior.

Challenging macroeconomic conditions and a decline in consumer confidence remain potent headwinds.

Broader economic strain is also influencing product mix, as consumers increasingly concentrate their spending on core entrées rather than higher-margin add-ons such as sides, wings, Papadias and desserts. Although pizza units sold increased, the trend toward medium sizes with fewer toppings restricted overall revenue growth. The company observed that persistent inflation and increased promotional activity across the QSR category are reinforcing price sensitivity, prompting Papa John's to maintain a sharper value proposition to protect order frequency.

Management expects these macro-economic headwinds—softer demand, mix pressure and a more promotional industry environment—to continue into late 2025 and through 2026. While the company is responding with targeted pricing, marketing and product innovation, the near-term environment remains challenging, particularly in the U.S. market, where consumers are prioritizing affordability and limiting discretionary purchases.

▼ **High Costs Ail:** Papa John's faced sustained cost headwinds in the third quarter of fiscal 2025, placing pressure on operating profitability despite pockets of efficiency. Consolidated adjusted EBITDA registered a modest decline as the company absorbed \$4 million in incremental marketing investments and approximately \$2 million in higher incentive compensation, which together contributed to elevated G&A expenses relative to the prior year.

Restaurant-level cost inflation also persisted. Domestic company-operated restaurant EBITDA margin contracted to 2.4%, representing a 20-basis-point year-over-year decline. Labor inflation and softer transaction volumes offset the modest lift from higher average tickets, limiting margin leverage across the system. Competitive dynamics in the broader quick-service category further intensified pricing pressure, requiring the company to lean more heavily into value-oriented promotions that weighed on near-term profitability.

Management noted that these cost burdens underscore the strategic importance of ongoing efficiency initiatives, including targeted supply-chain savings and a multiyear G&A reduction program. While these actions are expected to enhance long-term margin performance, near-term results remain constrained by rising labor costs, elevated promotional spend and higher corporate overhead. Our model predicts total costs and expenses in fiscal 2025 to rise 4.2% year over year to \$1.98 billion.

▼ **Cutthroat Competition:** The restaurant space is highly competitive as numerous restaurant operators are developing advanced and prudent strategies to increase their sales. In fact, going by the current retail scenario, adapting to shifting demand has become a major precedence for retailers. Companies with continual digital innovation, focus on product customization and the launch and delivery of seamless consumer experience can only thrive in the competitive space. This puts a lot of pressure on Papa John's to continuously change its strategies in correspondence to the fickle consumer demand.

## Risks<sup>(2)</sup> (to the Underperform recommendation)

- **Strong Brand Building in Focus:** Papa John's is intensifying its brand-building efforts by elevating the quality attributes that have long set it apart in the global pizza category. Management continues to highlight the company's fresh, never-frozen original dough made with six simple ingredients, reinforcing a commitment to ingredient integrity and craftsmanship. This quality-forward positioning has been amplified through the "Meet the Makers" campaign, which has strengthened brand perception and improved customer sentiment around product differentiation. These initiatives reflect the company's broader push to reinforce its core identity and ensure the brand remains synonymous with premium-quality pizza at a time of heightened value sensitivity in the quick-service landscape.

At the same time, Papa John's is laying essential groundwork to support long-term brand equity through more effective marketing, enhanced digital touchpoints and deeper customer engagement. The company optimized its media investments to deliver more efficient reach, expanded value-led messaging and built a comprehensive test-and-learn framework to refine future campaigns. With roughly 70% of domestic sales coming through owned digital channels, Papa John's modernized its mobile ordering experience and prepared to relaunch its website to create a more seamless digital ecosystem. Enhanced CRM tools are already driving higher engagement through personalized communications. Collectively, these quality-centric, data-driven and digitally enabled initiatives strengthen the company's brand relevance and support durable customer loyalty across its global network.

- **Product Launches to Drive Growth:** Papa John's continued to advance its product innovation strategy in the third quarter of 2025, introducing new platforms designed to elevate brand relevance and strengthen customer engagement. The company launched Papa Dipppa, a shareable, strip-cut pizza developed specifically for dipping occasions and representing the first product built under its refreshed innovation framework. While introduced during a more value-sensitive consumer environment, the item generated strong social traction and reinforced the appeal of form-based menu innovation.

The brand followed with Grand Papa, its largest pizza offering to date, featuring deli-style pepperoni and oversized foldable slices aimed at driving appeal for group and family dining occasions. Management noted that both items demonstrate the company's ability to deliver differentiated menu news at compelling price points while maintaining its quality positioning.

Looking ahead to 2026, Papa John's plans a steady cadence of innovation across multiple platforms, including a broadened sides and add-ons portfolio and menu extensions that address a wider range of dining occasions. These initiatives are intended to expand the brand's market reach while remaining operationally efficient for restaurants.

To support these launches, the company continued scaling its Perfect Bake initiative — which focuses on oven calibration and product consistency — across more locations. This operational foundation enhances quality, streamlines execution and enables the company to sustain a higher tempo of innovation in the coming year.

- **International Portfolio Drives Growth:** Papa John's continued to advance its global development plans in the third quarter, reinforcing international expansion as a central component of its long-term strategy. During the fiscal third quarter, the company opened two new restaurants in Bangalore, India. Management emphasized that India remains a priority market due to strong demand and the progress of its transformation initiatives.

For the full year, Papa John's continues to expect 180 to 200 gross international restaurant openings, reflecting a healthy development pipeline across global markets. International closures are anticipated to fall at the higher end of the 4% to 5% range, consistent with the company's plan to make strategic closure decisions in certain trade zones. Momentum continued in the United Kingdom, where operational improvements, new marketing campaigns and strong aggregator growth contributed to sales gains. Growth also advanced in key markets in the Middle East and Africa. The company also partnered with global franchisee Levant to expand into two new countries with over 100 new restaurants planned, reinforcing its long-term goal to operate more than 335 stores across four nations by 2030.

Management noted that international performance continues to benefit from operational improvements and enhanced execution across priority markets. The United Kingdom delivered high single-digit positive comparable sales in the quarter, supported by stronger operations, improved trade-area focus and the company's Perfect Bake initiative. Similar progress continued in China, where targeted closures earlier in the year and refined market prioritization have contributed to sequential momentum.

Papa John's highlighted that its international transformation efforts are generating consistent sales gains and improved order mix across multiple regions. With four consecutive quarters of positive international comparable sales growth, the company expects the initiatives underway to continue supporting long-term expansion across its global footprint.

- **Transformation Strategy Enhancing Efficiency and Profitability:** Papa John's ongoing transformation initiatives are beginning to strengthen the company's financial flexibility and margin profile. Management is executing a multiyear optimization plan targeting at least \$50 million in North American supply-chain savings by 2028, with approximately \$20 million slated for realization in 2026. These efficiencies are expected to be driven by improved procurement terms, more efficient freight and transportation management, and reductions in fixed-cost leverage across the commissary network. When fully implemented, these actions are projected to deliver roughly 100 basis points of restaurant-level EBITDA margin expansion.

In parallel, the company has identified approximately \$25 million in G&A reductions across 2026-2027, excluding marketing expenditures, as part of a broader structural cost review. Paired with a strengthened balance sheet and the benefits of refranchising, these cost initiatives expand the company's capacity to reinvest in marketing, enhance value offerings and support improved franchisee economics.

- **Accelerated Refranchising Strengthens System Health:** Papa John's is advancing a purposeful refranchising strategy that is expected

to reduce company-operated ownership to a mid-single-digit percentage of the North American system. The planned divestiture of an 85-unit joint venture remains on track for completion in the fourth quarter of 2025, with additional refranchising transactions already under negotiation at valuation multiples deemed attractive by management.

The company is selectively partnering with well-capitalized, growth-oriented operators who can scale efficiently and drive superior local execution. Transitioning restaurants to these operators is expected to enhance systemwide consistency, reinforce local marketing effectiveness and support stronger unit-level performance. Additionally, refranchising releases corporate capital and improves margin visibility, enabling Papa John's to reallocate resources toward high-return transformation priorities and long-term shareholder value creation.

- **Capitalizing on Technology to Boost Sales:** Papa John's is sharpening its focus on technology-enabled initiatives to elevate the customer experience and reinforce sales growth across the system. With roughly 70% of total sales now originating from the company's owned digital channels, management views digital transformation as a critical lever for capturing demand, improving conversion and strengthening unit-level economics. In the third quarter of 2025, the company reported higher conversion rates on its mobile platforms, increased engagement across its CRM ecosystem, and stronger repeat activity driven by targeted digital communications.

During the period, Papa John's rolled out a modernized first-party mobile ordering platform across both iOS and Android, designed to streamline navigation, reduce steps to checkout, enhance order tracking and support more personalized messaging. Early performance metrics indicate improved user experience and rising order conversion. Building on this momentum, the company plans to launch a fully redesigned website in December, completing a comprehensive upgrade of its core digital ordering infrastructure.

In parallel, Papa John's continues to advance operational technologies that complement its digital sales strategy. The company is expanding its delivery tracking capability, now available in approximately 60% of U.S. restaurants, with full deployment expected in early 2026. This feature is intended to boost transparency, reinforce convenience and elevate customer satisfaction across the delivery channel.

Collectively, these digital investments are designed to modernize the end-to-end customer journey, strengthen loyalty and drive sustained sales growth as Papa John's enters 2026 with a more integrated and data-driven technology stack.

- **Focus on Loyalty Program Bodes Well:** Papa John's ongoing emphasis on its loyalty program continues to support stronger customer engagement and improved transaction dynamics. Nearly one year after launching its enhanced rewards structure — with a lower redemption threshold and clearer incentives — the company is seeing meaningful benefits across its member base. During the third quarter, total loyalty accounts surpassed 40 million, reflecting the addition of almost 1 million new members over the last three months. Management highlighted that these enhancements have contributed to higher redemption activity and increased order frequency among loyalty users.

Importantly, active counts within the loyalty program have risen across all customer cohorts, from light to super frequent users. This broad-based improvement reinforces the program's effectiveness in strengthening brand advocacy and driving ongoing engagement. Executives also noted that customer counts across every frequency segment are up year over year, signaling that loyalty initiatives are resonating widely and helping retain valuable purchasers even in a pressured consumer environment.

The program is further supported by enhancements in digital communications, with increased CRM engagement observed through emails, app notifications and SMS alerts. Given that roughly 70% of sales originate through owned digital platforms, the loyalty program serves as a critical mechanism for driving repeat behavior, improving session conversions and reinforcing the brand's value proposition. Overall, the continued growth and activation of the loyalty base remain key strengths as the company works to stabilize demand and enhance customer lifetime value heading into 2026.

- **Effective Changes in Marketing Mix and Tactics:** Papa John's is advancing a more assertive marketing strategy to reinforce value, lift brand consideration and re-engage pressured consumer segments. During the third quarter, the company increased marketing investments by roughly \$4 million, directing spend toward more efficient working media to amplify value-driven promotions such as Buy-One-Get-One offers and a 50% off carryout deal. These tactics helped bend order trends while the promotions were active, signaling improved responsiveness to price-led messaging.

The company also strengthened its data-driven foundation by expanding its test-and-learn framework and refining audience targeting to enhance media productivity. Concurrently, CRM channels — email, push notifications and SMS — delivered higher engagement and conversion, supporting repeat purchasing. Brand-building efforts, including continued communication around fresh dough and quality ingredients, contributed to improving perception metrics.

Collectively, these adjustments reflect a disciplined recalibration of the marketing mix, positioning Papa John's to more effectively balance value communication with brand differentiation as it enters 2026 with a deeper innovation slate and improved marketing infrastructure.

## Last Earnings Report

# Papa John's Q3 Earnings & Revenues Miss Estimates

Papa John's reported third-quarter fiscal 2025 results, with adjusted earnings and revenues missing the Zacks Consensus Estimate. The top line increased year over year, while the bottom line declined from the prior-year quarter's figure.

**FY Quarter Ending** 12/31/2024

Earnings Reporting Date	Nov 06, 2025
Sales Surprise	-3.37%
EPS Surprise	-20.00%
Quarterly EPS	0.32
Annual EPS (TTM)	1.72

## PZZA's Q3 Earnings & Revenue Discussion

The company reported adjusted earnings per share (EPS) of 32 cents, missing the Zacks Consensus Estimate of 40 cents by 20%. It reported an adjusted EPS of 43 cents in the prior-year quarter.

Quarterly revenues of \$508.1 million lagged the consensus mark of \$526 million. The top line increased 0.3% on a year-over-year basis. During the quarter, the company's top line was supported by a \$1.9 million uplift in Other revenues, reflecting higher digital fee income, along with a \$1.2 million increase in franchise royalties and fees, largely attributable to improved comparable sales among international franchisees. In addition, Commissary revenues rose by \$0.6 million, benefiting from increased volumes and favorable pricing dynamics.

## Global Restaurant Sales & Comps of Papa John's

Total comparable sales declined 0.2% year over year compared with a 4.9% fall reported in the prior-year quarter.

Domestic company-owned restaurant comps fell 3.1% year over year compared with 6.7% fall reported in the year-ago quarter. At North America's franchised restaurants, comps declined 2.6% year over year compared with a 5.3% fall reported in the year-ago quarter. Comps at North America's restaurants fell 2.7% year over year compared with a 5.6% fall reported in the year-ago quarter.

Nonetheless, comps at international restaurants were up 7.1% year over year against a 2.8% decline reported in the prior-year quarter. The total global system-wide restaurant sales increased 1.8% year over year against a 3% fall reported in the prior-year quarter.

## Operating Highlights of PZZA

During the fiscal third quarter, net income totaled \$4.5 million compared with \$41.8 million reported in the prior-year quarter.

The total costs and expenses amounted to \$491.9 million, up from \$441.6 million in the prior-year quarter.

Adjusted EBITDA during the quarter came in at \$47.8 million compared with \$49.9 million reported in the prior-year quarter.

## PZZA's Balance Sheet

As of Sept. 28, 2025, Papa John's cash and cash equivalents totaled \$38.9 million compared with \$38 million as of Dec. 29, 2024. At the end of the fiscal third quarter, net long-term debt (less current portion) totaled \$727.1 million, down from \$741.7 million as of Dec. 29, 2024.

## FY25 Guidance by PZZA

For fiscal 2025, the company anticipates system-wide sales to grow in the range of 1-2%. It expects North America comparable sales to be down 2-2.5%. International comparable sales are expected to be up 5-6% compared with the prior expectation of 2-4%.

Adjusted EBITDA is expected to be between \$190 million and \$200 million. During the fiscal year, capital expenditures are expected to be \$75-\$85 million. Depreciation and amortization are anticipated to be \$80-\$95 million.



## Valuation

Papa John's shares are down 6.2% in the year-to-date period and 22.8% over the trailing 12-month period. Stocks in the Zacks sub-industry are down 11.2% but the Zacks Retail-Wholesale sector is up 2.3% in the year-to-date period. Over the past year, the sub-industry is down 14.5% but the sector is up 4.4%.

The S&P 500 index is up 14.1% in the year-to-date period and 13.2% in the past year.

The stock is currently trading at 23.16x forward 12-month earnings, which compares to 23.05x for the Zacks sub-industry, 23.59x for the Zacks sector and 22.89x for the S&P 500 index.

Over the past five years, the stock has traded as high as 28.6x and as low as 19.34x, with a 5-year median of 24.57x. Our Underperform recommendation indicates that the stock will perform worse-than the market. Our \$33 price target reflects 19.87x forward 12-month earnings.

The table below shows the summary valuation data for PZZA.

Valuation Multiples - PZZA					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	23.16	23.05	23.59	22.89
	5-Year High	28.6	30.45	34.74	23.81
	5-Year Low	19.34	22.25	21.48	15.73
	5-Year Median	24.57	25.42	24.78	21.2
P/S F12M	Current	0.61	3.34	1.57	5.19
	5-Year High	2.39	5.45	2.05	5.52
	5-Year Low	0.48	3.34	1.2	3.84
	5-Year Median	1.17	4.13	1.54	5.06
EV/EBITDA TTM	Current	10.21	17.32	12.5	18.01
	5-Year High	27.98	32.79	27.12	22.58
	5-Year Low	8.27	15.85	11.26	13.97
	5-Year Median	16.2	18.93	14.56	18.07

As of 11/20/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Bottom 24% (184 out of 243)



## Top Peers<sup>(1)</sup>

Company (Ticker)	Rec	Rank
Arcos Dorados Holdin... (ARCO)	Neutral	3
The Cheesecake Facto... (CAKE)	Neutral	3
Red Robin Gourmet Bu... (RRGB)	Neutral	3
Shake Shack, Inc. (SHAK)	Neutral	3
The Wendy's Company (WEN)	Neutral	3
Yum! Brands, Inc. (YUM)	Neutral	3
Yum China (YUMC)	Neutral	3
Texas Roadhouse, Inc... (TXRH)	Underperform	4

## Industry Comparison<sup>(1)</sup> Industry: Retail - Restaurants

	PZZA	X Industry	S&P 500	SHAK	WEN	YUMC
Zacks Recommendation (Long Term)	Underperform	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	5	-	-	3	3	3
VGM Score	C	-	-	A	A	A
Market Cap	1.34 B	641.24 M	38.58 B	3.49 B	1.59 B	17.12 B
# of Analysts	6	4	22	12	9	6
Dividend Yield	4.50%	0.00%	1.42%	0.00%	6.71%	2.03%
Value Score	B	-	-	C	A	A
Cash/Price	0.03	0.10	0.04	0.10	0.20	0.12
EV/EBITDA	9.10	9.51	14.55	27.79	7.58	8.32
PEG Ratio	-2.78	2.33	2.20	2.13	1.56	1.76
Price/Book (P/B)	NA	2.39	3.33	6.51	14.56	2.70
Price/Cash Flow (P/CF)	9.14	9.29	15.10	23.83	4.69	12.97
P/E (F1)	28.81	21.01	19.71	61.15	9.57	18.98
Price/Sales (P/S)	0.64	0.69	3.09	2.54	0.72	1.48
Earnings Yield	3.47%	4.04%	5.06%	1.64%	10.42%	5.28%
Debt/Equity	-1.78	0.22	0.57	0.46	26.89	0.01
Cash Flow (\$/share)	4.48	1.96	8.99	3.43	1.78	3.65
Growth Score	C	-	-	A	B	B
Hist. EPS Growth (3-5 yrs)	-3.80%	9.08%	8.16%	249.22%	8.87%	15.81%
Proj. EPS Growth (F1/F0)	-39.32%	5.94%	8.57%	45.65%	-13.00%	7.30%
Curr. Cash Flow Growth	-5.00%	10.34%	6.75%	34.18%	2.40%	7.10%
Hist. Cash Flow Growth (3-5 yrs)	8.54%	7.45%	7.43%	16.45%	6.08%	3.69%
Current Ratio	0.87	0.72	1.18	1.84	0.81	1.32
Debt/Capital	NA%	34.96%	38.01%	31.62%	96.41%	0.76%
Net Margin	1.79%	2.24%	12.78%	3.10%	8.43%	7.81%
Return on Equity	-13.54%	5.63%	17.00%	10.43%	125.74%	14.08%
Sales/Assets	2.34	0.93	0.53	0.78	0.45	1.05
Proj. Sales Growth (F1/F0)	0.50%	2.82%	5.79%	16.20%	-3.30%	3.50%
Momentum Score	D	-	-	C	C	F
Daily Price Chg	-1.56%	-0.76%	-0.24%	-2.36%	1.46%	-1.33%
1 Week Price Chg	0.61%	0.27%	-0.59%	6.57%	2.01%	5.00%
4 Week Price Chg	-0.29%	1.46%	2.76%	-5.33%	1.46%	-0.32%
12 Week Price Chg	-10.74%	-5.27%	2.15%	-16.66%	-8.14%	11.32%
52 Week Price Chg	-2.50%	-10.66%	12.39%	-36.78%	-51.06%	-4.63%
20 Day Average Volume	655,957	634,732	2,743,646	1,607,836	6,910,336	1,505,373
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	-6.46%	0.00%	0.00%	0.00%	0.38%	-0.27%
(F1) EPS Est 12 week change	-20.82%	-1.79%	0.69%	-3.77%	0.55%	-0.19%
(Q1) EPS Est Mthly Chg	-17.55%	0.00%	0.00%	0.00%	-3.71%	-1.43%



## Analyst Earnings Model<sup>(2)</sup>

### Papa John's International, Inc. (PZZA)

In \$MM, except per share data

	2022A	2023A	2024A	2025E				2026E				2027E		
	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	30-Sept-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sept-26	31-Dec-26	Dec-26	Dec-27
Income Statement														
Total Revenue	\$2,102.1	\$2,135.7	\$2,059.4	\$518.3	\$529.2	\$508.2	\$514.4	\$2,070.0	\$504.1	\$515.4	\$513.5	\$529.5	\$2,062.4	\$2,057.6
YoY % Chng	1.6%	1.6%	(3.6%)	0.9%	4.2%	0.3%	(3.1%)	0.5%	(2.7%)	(2.6%)	1.0%	2.9%	(0.4%)	(0.2%)
Cost of Sales		\$1,558.4	\$1,478.4	\$366.5	\$371.7	\$369.1	\$355.9	\$1,463.3	\$355.9	\$359.8	\$358.7	\$371.1	\$1,445.5	\$1,427.9
YoY % Chng			(5.1%)	(0.3%)	2.4%	(0.3%)	(5.7%)	(1.0%)	(2.9%)	(3.2%)	(2.8%)	4.3%	(1.2%)	(1.2%)
General & Administrative Expenses		\$208.1	\$190.5	\$65.2	\$70.1	\$56.5	\$57.2	\$248.9	\$59.6	\$58.5	\$58.7	\$61.1	\$237.9	\$235.9
YoY % Chng			(8.4%)	12.6%	22.9%	338.4%	(8.8%)	30.7%	(8.5%)	(16.6%)	3.9%	6.8%	(4.4%)	(0.9%)
Depreciation & Amortization	\$52.0	\$64.1	\$69.4	\$18.3	\$18.8	\$24.9	\$19.3	\$81.4	\$16.4	\$19.9	\$19.6	\$18.1	\$74.0	\$77.9
YoY % Chng	6.6%	23.2%	8.3%	3.8%	7.0%	44.3%	14.5%	17.3%	(10.5%)	5.6%	(21.4%)	(6.3%)	(9.1%)	5.3%
Advertising Funds Expense		\$158.0	\$164.3	\$44.3	\$44.0	\$41.5	\$59.4	\$189.2	\$42.0	\$47.7	\$49.3	\$48.0	\$187.1	\$189.9
YoY % Chng			4.0%	19.9%	4.8%	0.3%	34.9%	15.1%	(5.2%)	8.3%	19.0%	(19.2%)	(1.1%)	1.5%
Total Costs & Expenses	\$1,981.0	\$1,988.6	\$1,902.7	\$494.3	\$504.7	\$492.0	\$491.8	\$1,982.8	\$474.0	\$485.8	\$486.4	\$498.3	\$1,944.5	\$1,931.7
YoY % Chng	4.3%	0.4%	(4.3%)	2.9%	5.2%	11.4%	(1.9%)	4.2%	(4.1%)	(3.7%)	(1.1%)	1.3%	(1.9%)	(0.7%)
EBITDA, Adjusted				\$49.6	\$52.6	\$47.8	\$47.8	\$197.8	\$52.5	\$55.5	\$52.9	\$55.5	\$216.4	\$228.3
YoY % Chng				(18.1%)	(10.7%)	(4.3%)			5.8%	5.6%	10.7%	15.9%	9.4%	5.5%
EBITDA	\$161.1	\$211.2	\$226.1	\$42.3	\$43.3	\$41.1	\$41.9	\$168.6	\$46.6	\$49.4	\$46.7	\$49.3	\$191.9	\$203.8
YoY % Chng	(25.8%)	31.1%	7.0%	(17.7%)	(5.5%)	(50.2%)	(9.7%)	(25.4%)	10.1%	14.1%	13.6%	17.6%	13.8%	6.2%
Operating Income	\$109.0	\$147.1	\$156.7	\$24.0	\$24.5	\$16.2	\$22.6	\$87.2	\$30.2	\$29.5	\$27.1	\$31.2	\$117.9	\$125.9
YoY % Chng	(35.2%)	35.0%	6.5%	(28.9%)	(13.2%)	(75.2%)	(23.6%)	(44.4%)	25.8%	20.6%	67.5%	38.1%	35.3%	6.8%
Interest Expense (Income), Net	\$25.3	\$43.5	\$42.6	\$10.1	\$10.6	\$9.9	\$9.6	\$40.2	\$9.8	\$9.9	\$9.8	\$10.2	\$39.7	\$39.5
YoY % Chng	46.1%	72.1%	(2.0%)	(8.9%)	(2.9%)	(6.4%)	(3.9%)	(5.6%)	(2.9%)	(6.4%)	(1.4%)	6.1%	(1.3%)	(0.5%)
Pre-Tax Income	\$83.8	\$103.7	\$114.1	\$13.9	\$13.9	\$6.2	\$13.0	\$47.0	\$20.4	\$19.6	\$17.3	\$21.0	\$78.3	\$86.4
YoY % Chng	(44.5%)	23.8%	10.1%	(38.7%)	(19.8%)	(88.6%)	(33.6%)	(58.8%)	46.6%	41.2%	177.5%	61.7%	66.5%	10.5%
Income Tax	\$14.4	\$20.9	\$29.9	\$4.5	\$4.2	\$1.8	\$3.4	\$13.9	\$5.5	\$5.3	\$4.7	\$5.7	\$21.1	\$23.3
YoY % Chng	(44.5%)	44.8%	43.4%	(41.3%)	(11.7%)	(86.3%)	(26.4%)	(53.5%)	21.0%	25.2%	166.1%	68.0%	52.0%	10.5%
Tax Rate	17.2%	20.1%	26.2%	32.7%	30.5%	28.2%	26.0%	29.6%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%
Net Income Before Non-Controlling Interests	\$69.3	\$82.8	\$84.2	\$9.3	\$9.7	\$4.5	\$9.6	\$33.1	\$14.9	\$14.3	\$12.6	\$15.3	\$57.1	\$63.1
YoY % Chng	(44.5%)	19.4%	1.7%	(37.4%)	(22.9%)	(89.3%)	(35.9%)	(60.7%)	59.1%	48.2%	182.0%	59.6%	72.7%	10.5%
Non-Controlling Interests	\$1.6	\$0.7	\$0.7	\$0.1	\$0.1	\$(0.2)	\$0.2	\$0.3	\$0.2	\$0.2	\$(0.1)	\$0.2	\$0.5	\$0.4
YoY % Chng	(68.1%)	(55.5%)	1.4%	(56.5%)	(52.2%)	(1,070.0%)	46.9%	(63.1%)	61.3%	54.9%	45.1%	(14.6%)	84.8%	(24.8%)
Net Income Attributable To The Company	\$67.8	\$82.1	\$83.5	\$9.2	\$9.5	\$4.7	\$9.4	\$32.8	\$14.7	\$14.1	\$12.7	\$15.1	\$56.6	\$62.7
YoY % Chng	(43.5%)	21.1%	1.7%	(37.0%)	(22.2%)	(88.7%)	(36.8%)	(60.7%)	59.1%	48.1%	170.7%	61.4%	72.6%	10.8%
Dividends Paid to Participating Securities	\$0.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
YoY % Chng	(95.0%)													
Net Income Attributable To Common Shareholders, Adjusted	\$104.9	\$89.7	\$76.7	\$11.8	\$13.5	\$10.6	\$10.8	\$46.7	\$16.0	\$15.5	\$14.1	\$16.5	\$62.2	\$68.2
YoY % Chng	(15.5%)	(14.4%)	(14.5%)	(46.3%)	(32.7%)	(24.2%)	(47.9%)	(39.1%)	35.9%	14.6%	33.0%	53.3%	33.1%	9.8%
Net Income Attributable To Common Shareholders, GAAP	\$67.4	\$82.1	\$83.3	\$9.0	\$9.3	\$4.4	\$9.4	\$32.1	\$14.7	\$14.1	\$12.7	\$15.1	\$56.6	\$62.7
YoY % Chng	1,553.9%	21.9%	1.5%	(38.3%)	(24.3%)	(89.4%)	(36.0%)	(61.5%)	62.5%	52.4%	186.5%	61.4%	76.4%	10.8%
Basic Shares Outstanding	35.5	32.9	32.7	32.8	32.8	32.9	32.9	32.9	32.9	32.9	32.9	32.9	32.9	32.9
YoY % Chng	1.4%	(7.2%)	(0.6%)	0.4%	0.4%	0.4%	0.4%	0.4%	0.3%	0.1%	0.0%	0.0%	0.1%	0.0%
Diluted Shares Outstanding	35.7	33.2	32.8	32.9	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0
YoY % Chng	1.1%	(7.2%)	(1.0%)	0.0%	0.4%	0.3%	0.3%	0.5%	0.4%	0.2%	0.0%	0.0%	0.1%	0.0%
Basic EPS	\$1.90	\$2.49	\$2.55	\$0.28	\$0.28	\$0.14	\$0.28	\$0.98	\$0.45	\$0.43	\$0.39	\$0.46	\$1.72	\$1.91
YoY % Chng	1,483.3%	31.1%	2.4%	(37.8%)	(24.3%)	(89.1%)	(36.8%)	(61.4%)	59.3%	53.3%	176.7%	61.4%	74.9%	10.8%
Diluted EPS, Adjusted	\$2.94	\$2.71	\$2.34	\$0.36	\$0.41	\$0.32	\$0.33	\$1.42	\$0.49	\$0.47	\$0.43	\$0.50	\$1.88	\$2.07
YoY % Chng	(16.2%)	(7.8%)	(13.7%)	(46.3%)	(32.8%)	(25.6%)	(48.3%)	(39.5%)	34.9%	14.4%	33.5%	53.3%	32.9%	9.8%
Diluted EPS, GAAP	\$1.89	\$2.48	\$2.54	\$0.27	\$0.28	\$0.13	\$0.28	\$0.96	\$0.44	\$0.43	\$0.39	\$0.46	\$1.71	\$1.90
YoY % Chng	1,475.0%	31.2%	2.4%	(38.6%)	(24.3%)	(89.8%)	(35.6%)	(62.1%)	64.4%	52.6%	196.6%	61.4%	77.9%	10.8%
Dividend Per Share	\$1.54	\$1.76	\$1.84	\$0.46	\$0.46	\$0.46	\$0.46	\$1.84	\$0.46	\$0.46	\$0.48	\$0.48	\$1.89	\$1.98
YoY % Chng	33.9%	14.3%	4.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	5.0%	2.5%	5.0%

## Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

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## Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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Value Score	<b>B</b>
Growth Score	<b>C</b>
Momentum Score	<b>D</b>
VGM Score	<b>C</b>

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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