



PAPA JOHN'S INTERNATIONAL, INC.

ANNUAL MEETING OF STOCKHOLDERS

MAY 2, 2018



JOHN SCHNATTER
Founder, Chairman

STEVE RITCHIE
President and Chief
Executive Officer



Forward Looking Statements & Non-GAAP Measures

Forward Looking Statements

Certain matters discussed in this presentation constitute forward-looking statements within the meaning of the federal securities laws. Generally, the use of words such as “expect,” “intend,” “estimate,” “believe,” “anticipate,” “will,” “forecast,” “plan,” “project,” or similar words identify forward-looking statements that we intend to be included within the safe harbor protections provided by the federal securities laws. Such forward-looking statements may relate to projections or guidance concerning business performance, revenue, earnings, cash flow, contingent liabilities, resolution of litigation, commodity costs, profit margins, unit growth, unit level performance, capital expenditures, share repurchases, dividends, effective tax rates, the impact of the Tax Cuts and Job Act and the adoption of new accounting standards, and other financial and operational measures. Such statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions, which are difficult to predict and many of which are beyond our control. Therefore, actual outcomes and results may differ materially from those matters expressed or implied in such forward-looking statements.

The risks, uncertainties and assumptions that are involved in our forward-looking statements include, but are not limited to: aggressive changes in pricing or other marketing or promotional strategies by competitors, which may adversely affect sales and profitability; new product and concept developments by food industry competitors; changes in consumer preferences or consumer buying habits, including the growing popularity of delivery aggregators, as well as changes in general economic conditions or other factors that may affect consumer confidence and discretionary spending; the adverse impact on the company or our results caused by product recalls, food quality or safety issues, incidences of foodborne illness, food contamination and other general public health concerns about our company-owned or franchised restaurants or others in the restaurant industry; failure to maintain our brand strength, quality reputation and consumer enthusiasm for our better ingredients marketing and advertising strategy, or our ability to manage social media and shift to more effective digital marketing strategies; the ability of the company and its franchisees to meet planned growth targets and operate new and existing restaurants profitably, including difficulties finding qualified franchisees, store level employees or suitable sites; increases in food costs or sustained higher other operating costs such as increased employee compensation, benefits, insurance, tax rates, new regulatory requirements or increasing compliance costs; increases in insurance claims and related costs for programs funded by the company up to certain retention limits, including medical, owned and non-owned vehicles, workers’ compensation, general liability and property; disruption of our supply chain or commissary operations which could be caused by our sole source of supply of cheese or limited source of suppliers for other key ingredients or more generally due to weather, natural disasters including drought, disease, or geopolitical or other disruptions beyond our control; increased risks associated with our international operations, including economic and political conditions, instability or uncertainty in our international markets, especially emerging markets, fluctuations in currency exchange rates, and difficulty in meeting planned sales targets and new store growth; the impact of current or future claims and litigation, including labor and employment-related claims; current, proposed or future legislation that could impact our business; failure to effectively execute succession planning; disruption of critical business or information technology systems, or those of our suppliers, and risks associated with systems failures and data privacy and security breaches, including theft of confidential company, employee and customer information, including payment cards; changes in Federal or state income, general and other tax laws, rules and regulations, including changes from the Tax Cuts and Jobs Act and any related Treasury regulations, rules or interpretations if and when issued; and changes in generally accepted accounting principles, including new standards for revenue recognition and leasing.

These and other risk factors are discussed in detail in “Part I. Item 1A. – Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017. We undertake no obligation to update publicly any forward-looking statements, whether as a result of future events, new information or otherwise, except as required by law.

Non-GAAP Measures

We believe North America, international and global restaurant and comparable sales growth information is useful in analyzing our results since our franchisees pay royalties that are based on a percentage of franchise sales. Franchise sales also generate commissary revenue in the United States and in certain international markets. Franchise restaurant and comparable sales growth information is also useful for comparison to industry trends and evaluating the strength of our brand. Management believes the presentation of franchise restaurant sales growth, excluding the impact of foreign currency, provides investors with useful information regarding underlying sales trends and the impact of new unit growth without being impacted by swings in the external factor of foreign currency. Franchise restaurant sales are not included in company revenues.

We define free cash flow as net cash provided by operating activities (from the consolidated statements of cash flows) less the amounts spent on the purchase of property and equipment. We view free cash flow as an important measure because it is a factor that management uses in determining the amount of cash available for discretionary investment. Free cash flow is not a term defined by GAAP, and as a result, our measure of free cash flow might not be comparable to similarly titled measures used by other companies. Free cash flow should not be construed as a substitute for or a better indicator of the company’s liquidity or performance than the company’s GAAP measures.



2017 Financial Highlights

- \$1.8 billion in consolidated revenues and nearly \$4 billion in global restaurant sales
- \$2.62 adjusted diluted earnings per share vs. \$2.55 in 2016
- 102 global net new restaurants
- 0.1% positive comparable sales for North America, representing the 14th consecutive year for even or positive comparable sales
- 4.4% positive comparable sales for international, representing the 8th consecutive year of positive comparable sales
- International profits increased \$4.5 million



2017 Business Highlights

- Named **Restaurant Brand of the Year** in Pizza category in the 2017 Harris Poll EquiTrend rankings
- **Rated #1 in customer satisfaction** among limited-service restaurants in the American Customer Satisfaction Index (ACSI) for 16th time in past 18 years
- Continued to invest in our **clean label initiatives** to ensure high quality and clean ingredients
- **Growing digital sales mix** – over 60% with mobile ordering representing 2/3rd of digital sales
- Entered **9 new countries and territories** over the last two years
- Ended the year with **1,758 international restaurants**, with nearly 1,000 units in the development pipeline scheduled to be opened over the next 6 years

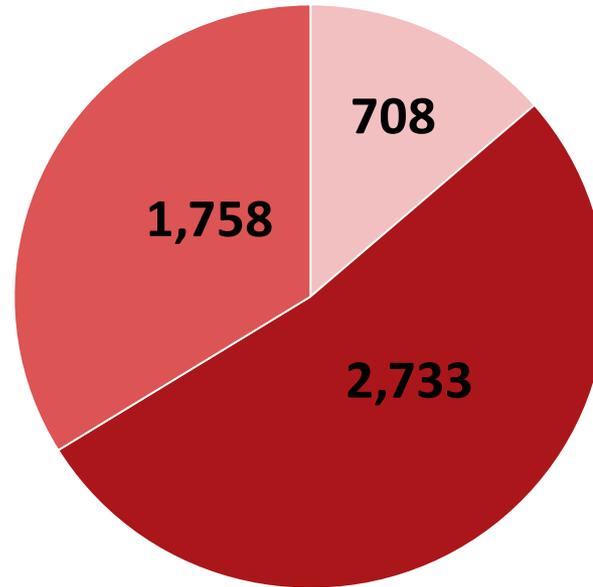


Restaurant Counts at 2017 Year-end

5,199 restaurants

50 states

44 countries and territories



■ North America Company-owned*

■ North America Franchising

■ International

*Includes majority-owned joint venture units

-Current mix of North America restaurants is 21% Company-owned and 79% franchised

Note: International units are franchised except for 35 Company-Owned units in Beijing/North China



Consistent Growth

Units:

- Opened 102 global net new restaurants in 2017
 - More than 1,000 net units opened over the last five years

Sales:

- Global restaurant sales of nearly \$4 billion in 2017
 - 14 consecutive years of positive or even domestic comparable sales
 - 8 consecutive years of positive international comparable sales
- Continued growth in online and mobile ordering channels; over 60% of domestic system sales coming through digital channels

EPS:

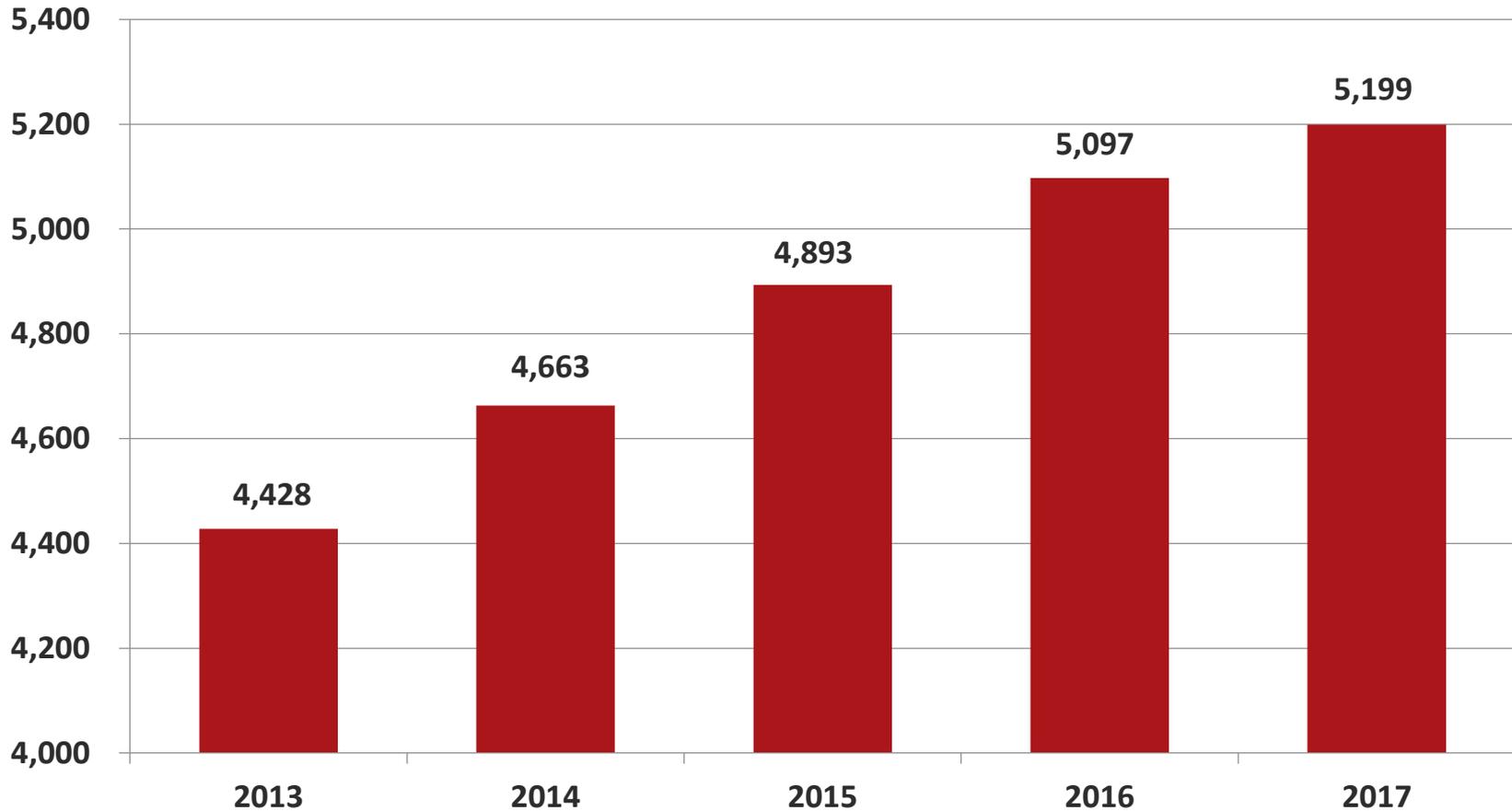
- Compounded annual earnings per share growth of 15% over the last five years



Consistent Growth: 2013 - 2017

Restaurant Unit Growth

Ending Store Count - Global



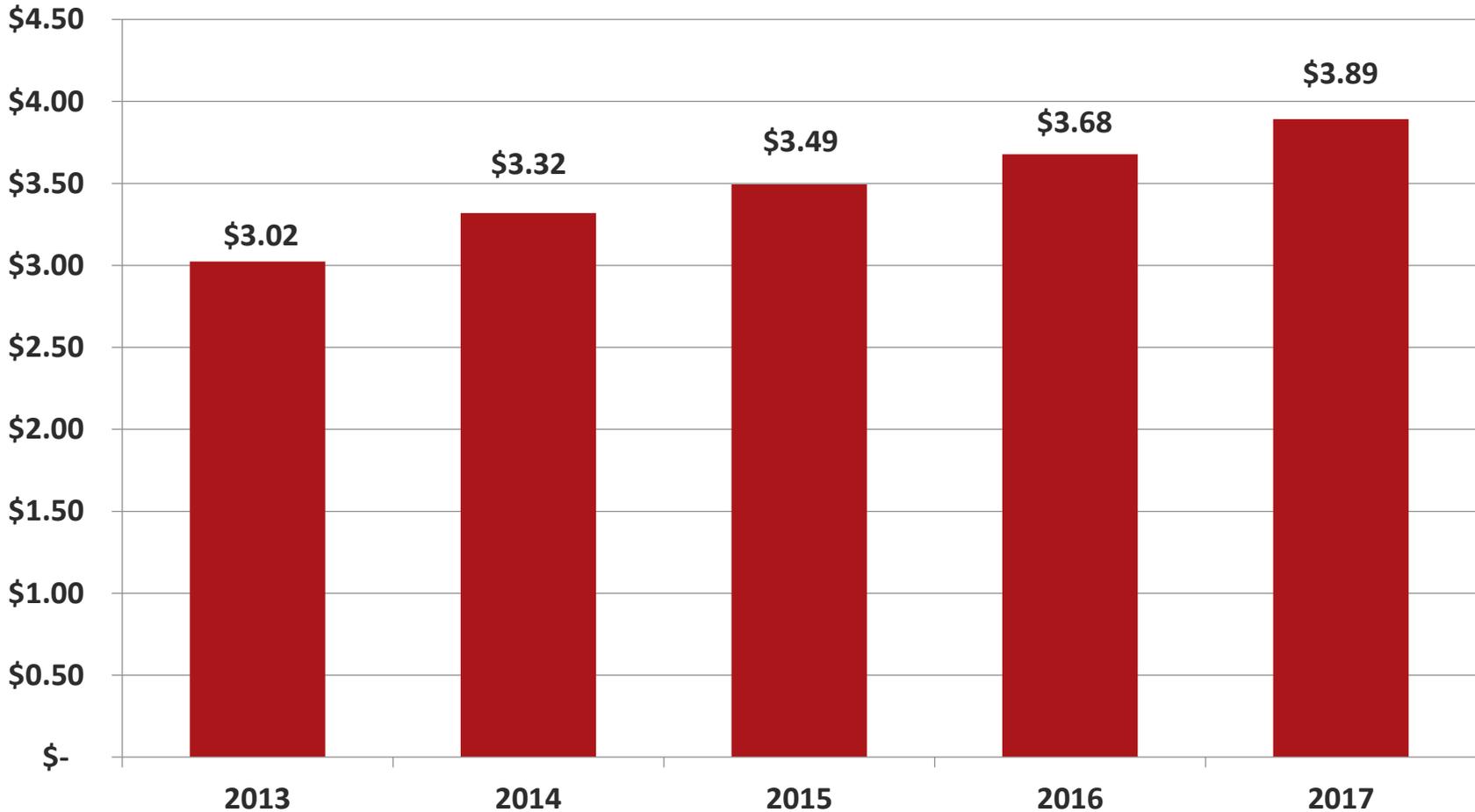
More than 1,000 net units opened over the last five years



Consistent Growth: 2013 - 2017

Global Restaurant Sales Growth

Global System Sales (in billions)

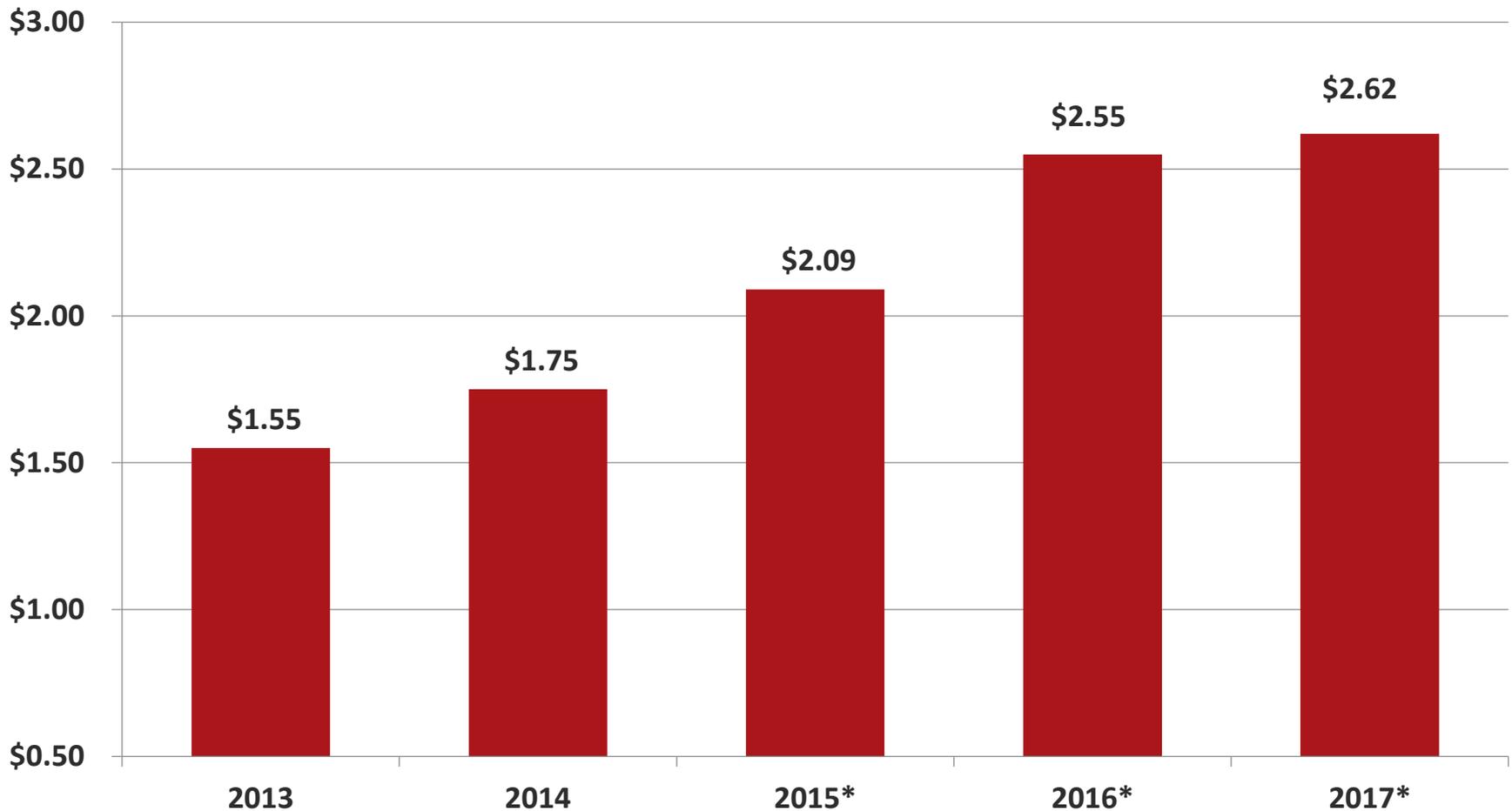




Consistent Growth: 2013 - 2017

Compounded Annual EPS Growth (15%)

Earnings Per Share



*Earnings per share for 2015, 2016 and 2017 are presented on a non-GAAP basis for comparability purposes. See the Investor Relations section of our website which contains the GAAP and non-GAAP reconciliations.

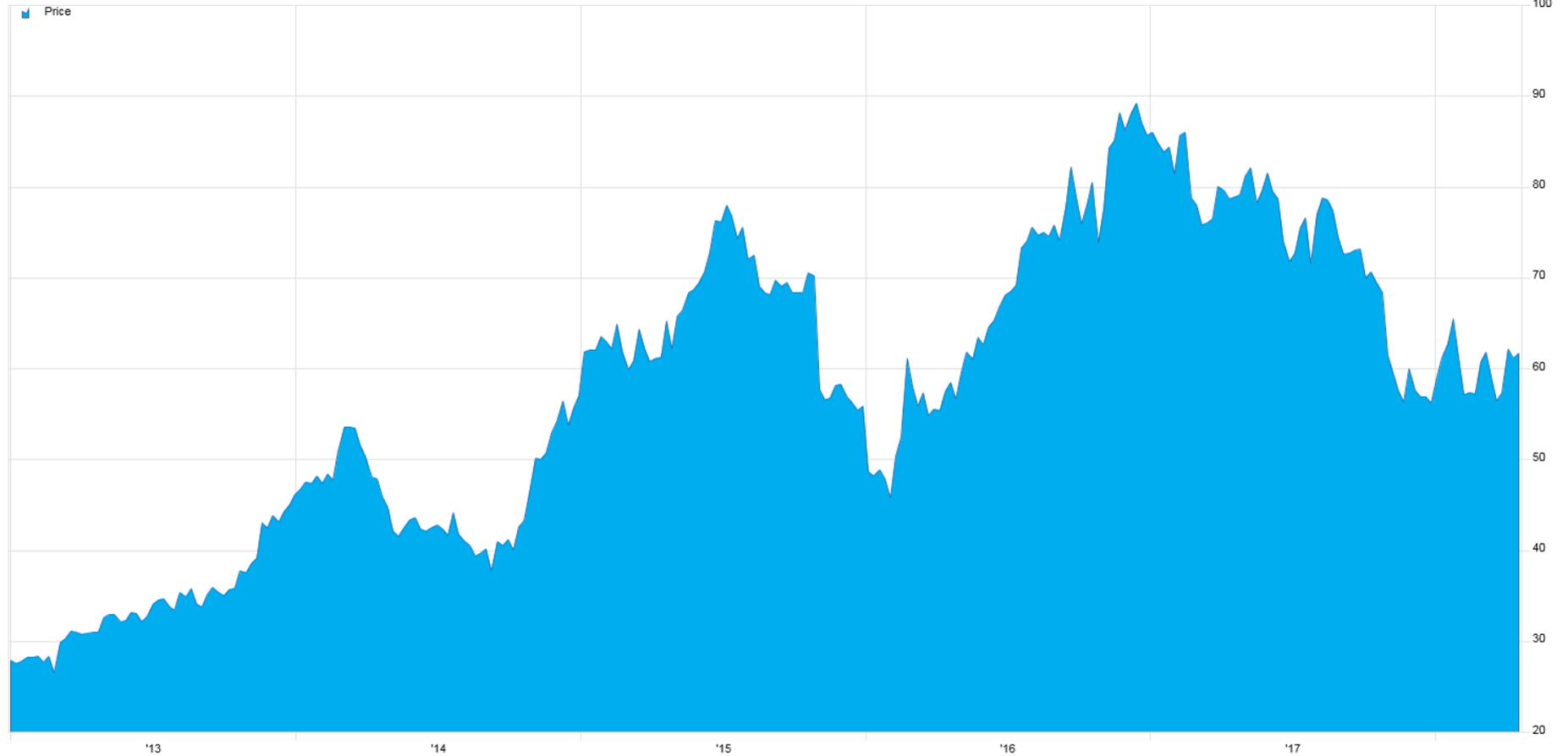


Stock Price Performance

Papa John's International Inc
PZZA-USQ

01/01/2013 to 04/20/2018(Weekly)

High: 89.17 Low: 26.46 Chg: 124.36%



Source: FactSet
Date: 4/20/2018



Brand Differentiators & Growth Drivers

- Recognized Quality Leader in Pizza Category
- Experienced Management Team
- Leveraging Technology Advantage and Rewards Platform
- International Business to Drive Sustainable Growth
- Continued Opportunity to Grow North America Business
- Franchise Royalty and QCC Profit Streams Reduce Volatility
- Excellent Cash Flow with Strong Balance Sheet – Consistent Return of Free Cash Flow to Shareholders
 - Cumulative free cash flow of \$300M over the last 3 years



2018 Strategic Priorities

1 QUALITY

- Emphasize our quality position in our creative, media & customer experience to differentiate our brand; it's more than just a tagline

2 VALUE

- Drive value perception by providing every day accessible value to our consumers

3 TECHNOLOGY

- Build new technology with enhanced data & analytics capabilities to engage the consumer, create operational effectiveness, & better optimize our marketing spend

4 UNIT ECONOMICS

- Build a stronger unit economic model through the use of business tools & user flow redesign to drive efficiencies

5 P.A.P.A

- Invest in our most important ingredient, our people

