

JACK IN THE BOX INC /NEW/  
Form 10-Q  
August 09, 2018  
UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 10-Q

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QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
For the quarterly period ended July 8, 2018  
Commission File Number: 1-9390

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JACK IN THE BOX INC.  
(Exact name of registrant as specified in its charter)

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DELAWARE	95-2698708
(State of Incorporation)	(I.R.S. Employer Identification No.)

9330 BALBOA AVENUE, SAN DIEGO, CA 92123  
(Address of principal executive offices) (Zip Code)  
Registrant's telephone number, including area code (858) 571-2121

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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 (§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 <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>
	Emerging growth company <input type="checkbox"/>

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

As of the close of business August 3, 2018, 27,255,503 shares of the registrant's common stock were outstanding.

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JACK IN THE BOX INC. AND SUBSIDIARIES  
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## PART I. FINANCIAL INFORMATION

## ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

JACK IN THE BOX INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)

(Unaudited)

	July 8, 2018	October 1, 2017
<b>ASSETS</b>		
Current assets:		
Cash	\$ 138	\$4,467
Accounts and other receivables, net	90,677	59,609
Inventories	2,115	3,445
Prepaid expenses	36,464	27,532
Current assets held for sale	15,276	42,732
Other current assets	4,688	1,493
Total current assets	149,358	139,278
Property and equipment:		
Property and equipment, at cost	1,207,038	1,262,117
Less accumulated depreciation and amortization	(774,741 )	(777,841 )
Property and equipment, net	432,297	484,276
Other Assets:		
Intangible assets, net	679	1,413
Goodwill	46,848	51,412
Non-current assets held for sale	—	280,796
Other assets, net	250,267	277,570
Total other assets	297,794	611,191
	\$879,449	\$1,234,745
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities:		
Current maturities of long-term debt	\$42,594	\$64,225
Accounts payable	36,198	28,366
Accrued liabilities	101,453	135,054
Current liabilities held for sale	—	34,345
Total current liabilities	180,245	261,990
Long-term liabilities:		
Long-term debt, net of current maturities	953,364	1,079,982
Non-current liabilities held for sale	—	32,078
Other long-term liabilities	236,310	248,825
Total long-term liabilities	1,189,674	1,360,885
Stockholders' deficit:		
Preferred stock \$0.01 par value, 15,000,000 shares authorized, none issued	—	—
Common stock \$0.01 par value, 175,000,000 shares authorized, 81,986,272 and 81,843,483 issued, respectively	820	818
Capital in excess of par value	463,872	453,432
Retained earnings	1,555,945	1,485,820
Accumulated other comprehensive loss	(120,668 )	(137,761 )
Treasury stock, at cost, 54,730,769 and 52,411,407 shares, respectively	(2,390,439 )	(2,190,439 )

Total stockholders' deficit	(490,470 )	(388,130 )
	\$879,449	\$1,234,745

See accompanying notes to condensed consolidated financial statements.

JACK IN THE BOX INC. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

(In thousands, except per share data)  
 (Unaudited)

	Quarter		Year-to-date	
	July 8, 2018	July 9, 2017	July 8, 2018	July 9, 2017
Revenues:				
Company restaurant sales	\$87,574	\$157,772	\$371,149	\$576,618
Franchise rental revenues	61,622	52,824	196,682	175,555
Franchise royalties and other	38,787	35,505	124,387	112,993
	187,983	246,101	692,218	865,166
Operating costs and expenses, net:				
Company restaurant costs (excluding depreciation and amortization):				
Food and packaging	24,946	46,182	106,448	166,213
Payroll and employee benefits	24,875	46,486	106,911	171,198
Occupancy and other	13,715	28,426	59,608	98,071
Total company restaurant costs (excluding depreciation and amortization)	63,536	121,094	272,967	435,482
Franchise occupancy expenses (excluding depreciation and amortization)	37,401	32,548	119,987	106,281
Franchise support and other costs	2,829	1,952	7,894	