UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended June 29, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to .

Commission File Number: 000-20322

Starbucks Corporation
(Exact Name of Registrant as Specified in its Charter)

Washington	**91-1325671**
(State or Other Jurisdiction of Incorporation or Organization)	**(IRS Employer Identification No.)**

2401 Utah Avenue South, Seattle, Washington 98134
(Address of principal executive offices, zip code)

(206) 447-1575
(Registrant's Telephone Number, including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of each exchange on which registered
Common Stock, $0.001 par value per share	SBUX	Nasdaq Global Select Market

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 every Interactive Data File required to be submitted 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 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 ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Shares Outstanding as of July 23, 2025
1,136.7 million

STARBUCKS CORPORATION
FORM 10-Q
For the Quarterly Period Ended June 29, 2025
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PART II. OTHER INFORMATION

PART I — FINANCIAL INFORMATION

Item 1. *Financial Statements*

STARBUCKS CORPORATION
CONSOLIDATED STATEMENTS OF EARNINGS
(in millions, except per share data, unaudited)

	Quarter Ended		Three Quarters Ended	
	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024
Net revenues:				
Company-operated stores	$ 7,812.5	$ 7,516.0	$ 22,882.9	$ 22,323.8
Licensed stores	1,105.6	1,129.0	3,257.3	3,375.7
Other	537.9	468.9	1,475.2	1,402.8
Total net revenues	9,456.0	9,113.9	27,615.4	27,102.3
Product and distribution costs	2,955.5	2,740.9	8,586.8	8,370.2
Store operating expenses	4,344.8	3,829.1	12,723.9	11,404.7
Other operating expenses	151.6	143.9	442.8	427.1
Depreciation and amortization expenses	427.6	380.4	1,254.0	1,117.6
General and administrative expenses	677.2	576.0	1,975.2	1,878.6
Restructuring	20.8	—	137.0	—
Total operating expenses	8,577.5	7,670.3	25,119.7	23,198.2
Income from equity investees	57.1	73.9	162.7	197.8
Operating income	935.6	1,517.5	2,658.4	4,101.9
Interest income and other, net	25.6	28.1	81.8	96.0
Interest expense	(142.3)	(141.3)	(396.8)	(422.0)
Earnings before income taxes	818.9	1,404.3	2,343.4	3,775.9
Income tax expense	260.4	348.6	619.9	923.2
Net earnings including noncontrolling interests	558.5	1,055.7	1,723.5	2,852.7
Net earnings/(loss) attributable to noncontrolling interests	0.2	0.9	0.3	1.0
Net earnings attributable to Starbucks	$ 558.3	$ 1,054.8	$ 1,723.2	$ 2,851.7
Earnings per share - basic	$ 0.49	$ 0.93	$ 1.52	$ 2.51
Earnings per share - diluted	$ 0.49	$ 0.93	$ 1.51	$ 2.51
Weighted average shares outstanding:				
Basic	1,136.4	1,132.8	1,135.7	1,133.9
Diluted	1,139.8	1,135.8	1,139.4	1,137.3

See Notes to Consolidated Financial Statements.

STARBUCKS CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions, unaudited)

	Quarter Ended		Three Quarters Ended	
	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024
Net earnings including noncontrolling interests	$ 558.5	$ 1,055.7	$ 1,723.5	$ 2,852.7
Other comprehensive income/(loss), net of tax:				
Unrealized holding gains/(losses) on available-for-sale debt securities	1.9	1.1	2.0	6.3
Tax (expense)/benefit	(0.5)	(0.3)	(0.5)	(1.6)
Unrealized gains/(losses) on cash flow hedging instruments	(83.8)	38.4	(20.8)	110.2
Tax (expense)/benefit	15.8	(8.9)	(0.6)	(20.0)
Unrealized gains/(losses) on net investment hedging instruments	(77.4)	114.0	143.2	181.3
Tax (expense)/benefit	19.4	(28.8)	(36.3)	(45.8)
Translation adjustment and other	157.7	(91.8)	(63.2)	(59.9)
Tax (expense)/benefit	—	(0.2)	—	(3.8)
Reclassification adjustment for net (gains)/losses realized in net earnings for available-for-sale securities, hedging instruments, translation adjustment, and other	(50.3)	(14.2)	(171.7)	(2.9)
Tax expense/(benefit)	11.0	4.2	41.5	6.4
Other comprehensive income/(loss)	(6.2)	13.5	(106.4)	170.2
Comprehensive income including noncontrolling interests	552.3	1,069.2	1,617.1	3,022.9
Comprehensive income/(loss) attributable to noncontrolling interests	0.3	0.9	0.1	1.0
Comprehensive income attributable to Starbucks	$ 552.0	$ 1,068.3	$ 1,617.0	$ 3,021.9

See Notes to Consolidated Financial Statements.

STARBUCKS CORPORATION
CONSOLIDATED BALANCE SHEETS
(in millions, except per share data, unaudited)

	Jun 29, 2025	Sep 29, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,172.6	$ 3,286.2
Short-term investments	333.3	257.0
Accounts receivable, net	1,242.6	1,213.8
Inventories	2,259.2	1,777.3
Prepaid expenses and other current assets	413.8	313.1
Total current assets	8,421.5	6,847.4
Long-term investments	232.0	276.0
Equity investments	485.9	463.9
Property, plant and equipment, net	8,893.7	8,665.5
Operating lease, right-of-use asset	9,581.4	9,286.2
Deferred income taxes, net	1,805.9	1,766.7
Other long-term assets	674.3	617.0
Other intangible assets	169.7	100.9
Goodwill	3,384.8	3,315.7
TOTAL ASSETS	$ 33,649.2	$ 31,339.3
LIABILITIES AND SHAREHOLDERS' EQUITY/(DEFICIT)		
Current liabilities:		
Accounts payable	$ 1,888.2	$ 1,595.5
Accrued liabilities	2,245.8	2,194.7
Accrued payroll and benefits	852.5	786.6
Current portion of operating lease liability	1,496.4	1,463.1
Stored value card liability and current portion of deferred revenue	1,911.2	1,781.2
Current portion of long-term debt	2,748.2	1,248.9
Total current liabilities	11,142.3	9,070.0
Long-term debt	14,570.9	14,319.5
Operating lease liability	9,070.6	8,771.6
Deferred revenue	5,826.1	5,963.6
Other long-term liabilities	717.9	656.2
Total liabilities	41,327.8	38,780.9
Shareholders' deficit:		
Common stock ($0.001 par value) — authorized, 2,400.0 shares; issued and outstanding, 1,136.5 and 1,133.5 shares, respectively	1.1	1.1
Additional paid-in capital	548.7	322.6
Retained deficit	(7,700.6)	(7,343.8)
Accumulated other comprehensive income/(loss)	(535.2)	(428.8)
Total shareholders' deficit	(7,686.0)	(7,448.9)
Noncontrolling interests	7.4	7.3
Total deficit	(7,678.6)	(7,441.6)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY/(DEFICIT)	$ 33,649.2	$ 31,339.3

See Notes to Consolidated Financial Statements.

STARBUCKS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions, unaudited)

	Three Quarters Ended	
	Jun 29, 2025	Jun 30, 2024
OPERATING ACTIVITIES:		
Net earnings including noncontrolling interests	$ 1,723.5	$ 2,852.7
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	1,315.5	1,191.0
Deferred income taxes, net	48.1	16.6
Income earned from equity method investees, net	(184.4)	(201.5)
Distributions received from equity method investees	186.5	220.5
Stock-based compensation	244.3	236.6
Non-cash lease costs	1,104.9	1,082.6
Loss on retirement and impairment of assets	143.0	62.9
Other	11.4	20.2
Cash provided by/(used in) changes in operating assets and liabilities:		
Accounts receivable	(46.4)	44.7
Inventories	(477.6)	(53.4)
Income taxes payable	50.7	(50.7)
Accounts payable	291.1	61.7
Deferred revenue	(5.0)	51.6
Operating lease liability	(1,144.0)	(1,049.7)
Other operating assets and liabilities	104.1	74.2
Net cash provided by operating activities	3,365.7	4,560.0
INVESTING ACTIVITIES:		
Purchases of investments	(298.2)	(545.6)
Sales of investments	1.1	0.5
Maturities and calls of investments	276.9	731.8
Additions to property, plant and equipment	(1,849.5)	(1,979.3)
Acquisitions, net of cash acquired	(177.1)	—
Other	(48.1)	(56.9)
Net cash used in investing activities	(2,094.9)	(1,849.5)
FINANCING ACTIVITIES:		
Net proceeds from issuance of short-term debt	2.4	118.3
Repayments of short-term debt	(7.8)	(127.0)
Net proceeds from issuance of long-term debt	1,748.5	1,995.3
Repayments of long-term debt	—	(1,825.1)
Proceeds from issuance of common stock	59.6	79.2
Cash dividends paid	(2,078.1)	(1,939.0)
Repurchase of common stock	—	(1,266.7)
Minimum tax withholdings on share-based awards	(80.6)	(98.1)
Other	(9.2)	(10.6)
Net cash used in financing activities	(365.2)	(3,073.7)
Effect of exchange rate changes on cash and cash equivalents	(19.2)	(9.2)
Net increase/(decrease) in cash and cash equivalents	886.4	(372.4)
CASH AND CASH EQUIVALENTS:		
Beginning of period	3,286.2	3,551.5
End of period	$ 4,172.6	$ 3,179.1
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest, net of capitalized interest	$ 392.5	$ 373.9
Income taxes	$ 568.1	$ 1,079.9

See Notes to Consolidated Financial Statements.

STARBUCKS CORPORATION
CONSOLIDATED STATEMENTS OF EQUITY
For the Quarter Ended June 29, 2025 and June 30, 2024
(in millions, except per share data, unaudited)

	Common Stock		Additional Paid-in Capital	Retained Earnings/(Deficit)	Accumulated Other Comprehensive Income/(Loss)	Shareholders' Equity/(Deficit)	Noncontrolling Interests	Total
	Shares	Amount						
Balance, March 30, 2025	1,136.2	$ 1.1	$ 470.9	$ (7,565.5)	$ (529.0)	$ (7,622.5)	$ 7.1	$ (7,615.4)
Net earnings	—	—	—	558.3	—	558.3	0.2	558.5
Other comprehensive income/(loss)	—	—	—	—	(6.3)	(6.3)	0.1	(6.2)
Stock-based compensation expense	—	—	66.7	—	—	66.7	—	66.7
Exercise of stock options/vesting of RSUs	0.2	—	(2.1)	—	—	(2.1)	—	(2.1)
Sale of common stock	0.1	—	13.2	—	—	13.2	—	13.2
Cash dividends declared, $0.61 per share	—	—	—	(693.4)	—	(693.4)	—	(693.4)
Other	—	—	—	—	0.1	0.1	—	0.1
Balance, June 29, 2025	1,136.5	$ 1.1	$ 548.7	$ (7,700.6)	$ (535.2)	$ (7,686.0)	$ 7.4	$ (7,678.6)
Balance, March 31, 2024	1,132.7	$ 1.1	$ 141.7	$ (7,970.7)	$ (621.5)	$ (8,449.4)	$ 7.2	$ (8,442.2)
Net earnings	—	—	—	1,054.8	—	1,054.8	0.9	1,055.7
Other comprehensive income	—	—	—	—	13.5	13.5	—	13.5
Stock-based compensation expense	—	—	64.2	—	—	64.2	—	64.2
Exercise of stock options/vesting of RSUs	0.2	—	3.9	—	—	3.9	—	3.9
Sale of common stock	0.2	—	12.9	—	—	12.9	—	12.9
Repurchase of common stock [1]	—	—	0.3	—	—	0.3	—	0.3
Cash dividends declared, $0.57 per share	—	—	—	(645.6)	—	(645.6)	—	(645.6)
Other	—	—	—	—	—	—	(0.1)	(0.1)
Balance, June 30, 2024	1,133.1	$ 1.1	$ 223.0	$ (7,561.5)	$ (608.0)	$ (7,945.4)	$ 8.0	$ (7,937.4)

(1) Includes excise tax on share repurchases.

See Notes to Consolidated Financial Statements.

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STARBUCKS CORPORATION
CONSOLIDATED STATEMENTS OF EQUITY
For the Three Quarters Ended June 29, 2025 and June 30, 2024
(in millions, except per share data, unaudited)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Retained Earnings/(Deficit)	Accumulated Other Comprehensive Income/(Loss)	Shareholders' Equity/(Deficit)	Noncontrolling Interests	Total
Balance, September 29, 2024	1,133.5	$ 1.1	$ 322.6	$ (7,343.8)	$ (428.8)	$ (7,448.9)	$ 7.3	$ (7,441.6)
Net earnings	—	—	—	1,723.2	—	1,723.2	0.3	1,723.5
Other comprehensive loss	—	—	—	—	(106.2)	(106.2)	(0.2)	(106.4)
Stock-based compensation expense	—	—	247.1	—	—	247.1	—	247.1
Exercise of stock options/vesting of RSUs	2.6	—	(61.1)	—	—	(61.1)	—	(61.1)
Sale of common stock	0.4	—	40.1	—	—	40.1	—	40.1
Cash dividends declared, $1.83 per share	—	—	—	(2,080.1)	—	(2,080.1)	—	(2,080.1)
Other	—	—	—	0.1	(0.2)	(0.1)	—	(0.1)
Balance, June 29, 2025	1,136.5	$ 1.1	$ 548.7	$ (7,700.6)	$ (535.2)	$ (7,686.0)	$ 7.4	$ (7,678.6)
Balance, October 1, 2023	1,142.6	$ 1.1	$ 38.1	$ (7,255.8)	$ (778.2)	$ (7,994.8)	$ 7.0	$ (7,987.8)
Net earnings	—	—	—	2,851.7	—	2,851.7	1.0	2,852.7
Other comprehensive income	—	—	—	—	170.2	170.2	—	170.2
Stock-based compensation expense	—	—	239.4	—	—	239.4	—	239.4
Exercise of stock options/vesting of RSUs	2.8	—	(61.0)	—	—	(61.0)	—	(61.0)
Sale of common stock	0.5	—	42.1	—	—	42.1	—	42.1
Repurchase of common stock [1]	(12.8)	—	(35.6)	(1,223.9)	—	(1,259.5)	—	(1,259.5)
Cash dividends declared, $1.71 per share	—	—	—	(1,933.5)	—	(1,933.5)	—	(1,933.5)
Balance, June 30, 2024	1,133.1	$ 1.1	$ 223.0	$ (7,561.5)	$ (608.0)	$ (7,945.4)	$ 8.0	$ (7,937.4)

[1] Includes excise tax on share repurchases.

See Notes to Consolidated Financial Statements.

STARBUCKS CORPORATION
INDEX FOR NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

STARBUCKS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Note 1: Summary of Significant Accounting Policies and Estimates

Financial Statement Preparation

The unaudited consolidated financial statements as of June 29, 2025, and for the quarters and three quarters ended June 29, 2025 and June 30, 2024, have been prepared by Starbucks Corporation under the rules and regulations of the Securities and Exchange Commission ("SEC"). In the opinion of management, the financial information for the quarters and three quarters ended June 29, 2025 and June 30, 2024 reflects all adjustments and accruals, which are of a normal recurring nature, necessary for a fair presentation of the financial position, results of operations, and cash flows for the interim periods. In this Quarterly Report on Form 10-Q ("10-Q"), Starbucks Corporation (together with its subsidiaries) is referred to as "Starbucks," the "Company," "we," "us," or "our."

Segment information is prepared on the same basis that our chief executive officer, who is our Chief Operating Decision Maker, manages the segments, evaluates financial results, and makes key operating decisions.

The financial information as of September 29, 2024 is derived from our audited consolidated financial statements and notes for the fiscal year ended September 29, 2024 ("fiscal 2024") included in Item 8 in the fiscal 2024 Annual Report on Form 10-K filed with the SEC on November 20, 2024 ("10-K"). The information included in this 10-Q should be read in conjunction with the footnotes and management's discussion and analysis of the consolidated financial statements in the 10-K.

The results of operations for the quarter and three quarters ended June 29, 2025 are not necessarily indicative of the results of operations that may be achieved for the entire fiscal year ending September 28, 2025 ("fiscal 2025").

Recent Accounting Pronouncements Not Yet Adopted

In November 2023, the Financial Accounting Standards Board ("FASB") issued guidance expanding segment disclosure requirements. The amendments require enhanced disclosure for certain segment items and disclosure on how management uses reported measures to assess segment performance. The amendments do not change how segments are determined, aggregated, or how thresholds are applied to determine reportable segments. We will adopt the guidance for the fiscal year ending September 28, 2025. We are currently evaluating the impact of the amendments and expect to include updated segment expense disclosures in our fiscal year 2025 Form 10-K.

In December 2023, the FASB issued guidance expanding disclosure requirements related to income taxes. The amendments require enhanced jurisdictional disclosures for the income tax rate reconciliation and related to cash income taxes paid. Additionally, certain disclosures related to unrecognized tax benefits and indefinite reinvestment assertions were removed. The amendments are effective for our fiscal year ending September 27, 2026. While we are still evaluating the specific impacts and timing of adoption, we anticipate this guidance will have a significant impact on our annual income tax disclosures.

In November 2024, the FASB issued guidance expanding disclosure requirements related to certain income statement expenses. The amendments require tabular disclosure of certain operating expenses disaggregated into categories, such as purchases of inventory, employee compensation, depreciation, and intangible asset amortization. The amendments are effective for our fiscal year ending October 1, 2028, and may be applied retrospectively. While we are still evaluating the specific impacts and adoption method, we anticipate this guidance will have a significant impact on our consolidated financial statement disclosures.

Note 2: Acquisitions, Divestitures, and Strategic Alliance

On October 14, 2024, we acquired a 100% ownership interest in 23.5 Degrees Topco Limited, a U.K. licensed business partner, to expand our portfolio of company-operated stores and enhance the coffeehouse experience for customers. The acquisition converted 113 licensed stores to company-operated stores within our International operating segment.

The assets acquired and liabilities assumed are included in our International operating segment. Assets acquired primarily include operating lease right-of-use assets, intangible assets, goodwill, and property, plant and equipment. The intangible assets acquired as part of this transaction include reacquired licensee agreement rights, which will be amortized over the estimated useful life. In addition, we assumed various liabilities, primarily consisting of operating lease liabilities. The transaction is not material to our consolidated financial statements.

Note 3: Derivative Financial Instruments

Interest Rates

From time to time, we enter into designated cash flow hedges to manage the variability in cash flows due to changes in benchmark interest rates. We enter into interest rate swap agreements, including forward-starting interest rate swaps and treasury locks, settled in cash based upon the difference between an agreed-upon benchmark rate and the prevailing benchmark rate at settlement. These agreements are generally settled around the time of the pricing of the related debt. Each derivative agreement's gain or loss is recorded in accumulated other comprehensive income ("AOCI") and is subsequently reclassified to interest expense over the life of the related debt.

To hedge the exposure to changes in the fair value of our fixed-rate debt, we enter into interest rate swap agreements, which are designated as fair value hedges. The changes in fair values of these derivative instruments and the offsetting changes in fair values of the underlying hedged debt due to changes in the relevant benchmark interest rates are recorded in interest expense. Refer to Note 8, Debt, for additional information on our long-term debt.

Foreign Currency

To reduce cash flow volatility from foreign currency fluctuations, we enter into forward and swap contracts to hedge portions of cash flows of anticipated royalty revenue, inventory purchases, and intercompany borrowing and lending activities. The resulting gains and losses from these derivatives are recorded in AOCI and subsequently reclassified to revenue, product and distribution costs, or interest income and other, net, respectively, when the hedged exposures affect net earnings.

From time to time, we may enter into financial instruments, including, but not limited to, forward and swap contracts or foreign currency-denominated debt, to hedge the currency exposure of our net investments in certain international operations. The resulting gains and losses from these derivatives are recorded in AOCI and are subsequently reclassified to net earnings when the hedged net investment is either sold or substantially liquidated. Gains and losses from these derivatives, representing hedged components excluded from the assessment of effectiveness, are amortized over the life of the hedging instrument using a systematic and rational method and recognized in interest expense.

Foreign currency forward and swap contracts not designated as hedging instruments are used to mitigate the foreign exchange risk of certain other balance sheet items. Gains and losses from these derivatives are largely offset by the financial impact of translating foreign currency-denominated payables and receivables, and these gains and losses are recorded in interest income and other, net.

Commodities

Depending on market conditions, we may enter into coffee forward contracts, futures contracts, and collars to hedge anticipated cash flows under our price-to-be-fixed green coffee contracts, which are described further in Note 5, Inventories, or our longer-dated forecasted coffee demand where underlying fixed price and price-to-be-fixed contracts are not yet available. The resulting gains and losses are recorded in AOCI and are subsequently reclassified to product and distribution costs when the hedged exposure affects net earnings.

Depending on market conditions, we may also enter into dairy forward contracts and futures contracts to hedge a portion of anticipated cash flows under our dairy purchase contracts and our forecasted dairy demand. The resulting gains or losses are recorded in AOCI and are subsequently reclassified to product and distribution costs when the hedged exposure affects net earnings.

Cash flow hedges related to anticipated transactions are designated and documented at the inception of each hedge. Cash flows from hedging transactions are classified in the same categories as the cash flows from the respective hedged items. For de-designated cash flow hedges in which the underlying transactions are no longer probable of occurring or where price variability in the underlying cash flow ceases to exist, the related accumulated derivative gains or losses are recognized in interest income and other, net on our consolidated statements of earnings. These derivatives may be accounted for prospectively as non-designated derivatives until maturity, re-designated to new hedging relationships, or terminated early. We continue to believe transactions related to our designated cash flow hedges are probable to occur.

To mitigate the price uncertainty of a portion of our future purchases, including diesel fuel and other commodities, we enter into swap contracts, futures, and collars that are not designated as hedging instruments. The resulting gains and losses are recorded in interest income and other, net to help offset price fluctuations on our beverage, food, packaging, and transportation costs, which are included in product and distribution costs on our consolidated statements of earnings.

Gains and losses on derivative contracts and foreign currency-denominated debt designated as hedging instruments included in AOCI and expected to be reclassified into earnings within 12 months, net of tax (*in millions*):

	Net Gains/(Losses) Included in AOCI		Net Gains/(Losses) Expected to be Reclassified from AOCI into Earnings within 12 Months	Outstanding Contract/Debt Remaining Maturity (Months)
	Jun 29, 2025	Sep 29, 2024		
Cash Flow Hedges:				
Coffee	$ (21.3)	$ 60.1	$ (16.3)	9
Cross-currency swaps	—	0.5	—	0
Dairy	—	2.0	—	0
Foreign currency - other	3.5	11.5	5.8	34
Interest rates	(2.2)	(3.6)	(3.5)	0
Net Investment Hedges:				
Cross-currency swaps	141.7	96.5	—	105
Foreign currency	16.0	16.0	—	0
Foreign currency debt	135.2	135.2	—	0

Pre-tax gains and losses on derivative contracts and foreign currency-denominated long-term debt designated as hedging instruments recognized in other comprehensive income ("OCI") and reclassifications from AOCI to earnings (*in millions*):

	Quarter Ended				
	Gains/(Losses) Recognized in OCI Before Reclassifications		Gains/(Losses) Reclassified from AOCI to Earnings		
	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024	Location of gain/(loss)
Cash Flow Hedges:					
Coffee	$ (49.6)	$ 10.6	$ 17.0	$ (10.7)	Product and distribution costs
Cross-currency swaps	—	2.3	—	0.3	Interest expense
			—	1.8	Interest income and other, net
Dairy	—	1.6	—	(0.6)	Product and distribution costs
Foreign currency - other	(32.9)	23.9	4.0	8.3	Licensed stores revenue
			3.5	2.1	Product and distribution costs
Interest rates	(1.3)	—	(1.0)	(1.0)	Interest expense
Net Investment Hedges:					
Cross-currency swaps [(1)]	(77.4)	114.0	27.0	14.2	Interest expense
Foreign currency debt	—	—	—	—	

	Three Quarters Ended				
	Gains/(Losses) Recognized in OCI Before Reclassifications		Gains/(Losses) Reclassified from AOCI to Earnings		
	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024	Location of gain/(loss)
Cash Flow Hedges:					
Coffee	$ (36.2)	$ 73.8	$ 62.1	$ (57.3)	Product and distribution costs
Cross-currency swaps	0.9	4.7	—	1.3	Interest expense
			1.4	2.4	Interest income and other, net
Dairy	(1.3)	(1.6)	1.4	(4.5)	Product and distribution costs
Foreign currency - other	17.1	33.3	20.2	24.5	Licensed stores revenue
			7.8	7.1	Product and distribution costs
Interest rates	(1.3)	—	(3.0)	(3.0)	Interest expense
Net Investment Hedges:					
Cross-currency swaps [(1)]	143.2	187.6	82.4	33.3	Interest expense
Foreign currency debt	—	(6.3)	—	—	

[(1)] Gains and losses recognized in earnings relate to components excluded from the assessment of effectiveness.

Pre-tax gains and losses on non-designated derivatives and designated fair value hedging instruments and the related fair value hedged item recognized in earnings (*in millions*):

		Gains/(Losses) Recognized in Earnings			
		Quarter Ended		Three Quarters Ended	
	Location of gain/(loss) recognized in earnings	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024
Non-Designated Derivatives:					
Dairy	Interest income and other, net	$ —	$ —	$ 0.1	$ —
Foreign currency - other	Interest income and other, net	(7.8)	3.4	(1.7)	4.6
Diesel fuel and other commodities	Interest income and other, net	—	(0.7)	(0.3)	(1.1)
Fair Value Hedges:					
Interest rate swaps	Interest expense	1.9	(2.7)	(6.6)	(0.3)
Long-term debt (hedged item)	Interest expense	(4.1)	(0.4)	(0.3)	(9.0)

Notional amounts of outstanding derivative contracts *(in millions)*:

	Jun 29, 2025	Sep 29, 2024
Coffee	$ 509	$ 154
Cross-currency swaps	4,197	4,213
Dairy	—	65
Diesel fuel and other commodities	13	3
Foreign currency - other	1,018	920
Interest rate swaps	350	350

Fair value of outstanding derivative contracts (*in millions*) including the location of the asset and/or liability on the consolidated balance sheets:

	Balance Sheet Location	Derivative Assets Jun 29, 2025	Derivative Assets Sep 29, 2024
Designated Derivative Instruments[1]:			
Cross-currency swaps	Prepaid expenses and other current assets	$ 2.7	$ 3.9
	Other long-term assets	185.2	177.4
Dairy	Prepaid expenses and other current assets	—	0.8
Foreign currency - other	Prepaid expenses and other current assets	5.7	1.9
	Other long-term assets	1.8	1.7
Non-designated Derivative Instruments:			
Dairy	Prepaid expenses and other current assets	—	0.3
Diesel fuel and other commodities	Prepaid expenses and other current assets	0.3	—
Foreign currency	Prepaid expenses and other current assets	1.0	1.8

	Balance Sheet Location	Derivative Liabilities Jun 29, 2025	Derivative Liabilities Sep 29, 2024
Designated Derivative Instruments:			
Cross-currency swaps	Accrued liabilities	$ —	$ 21.7
	Other long-term liabilities	4.9	33.3
Foreign currency - other	Accrued liabilities	3.9	4.7
	Other long-term liabilities	5.3	4.1
Interest rate swaps	Other long-term liabilities	20.5	19.2
Non-designated Derivative Instruments:			
Diesel fuel and other commodities	Accrued liabilities	0.2	0.3
Foreign currency	Accrued liabilities	2.3	2.5
	Other long-term liabilities	0.4	0.1

[1] We also hold cash and cash equivalents from various settled-to-market exchange traded futures related to coffee and dairy hedging.

The following amounts were recorded on the consolidated balance sheets related to fixed-to-floating interest rate swaps designated in fair value hedging relationships (*in millions*):

	Carrying amount of hedged item		Cumulative amount of fair value hedging adjustment included in the carrying amount	
	Jun 29, 2025	Sep 29, 2024	Jun 29, 2025	Sep 29, 2024
Location on the balance sheet				
Long-term debt	$ 332.4	$ 332.2	$ (17.6)	$ (17.8)

Additional disclosures related to cash flow gains and losses included in AOCI, as well as subsequent reclassifications to earnings, are included in Note 11, Equity.

Note 4: Fair Value Measurements

Assets and liabilities measured at fair value on a recurring basis *(in millions)*:

	Balance at June 29, 2025	Fair Value Measurements at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and cash equivalents	$ 4,172.6	$ 4,172.6	$ —	$ —
Short-term investments:				
Available-for-sale debt securities:				
Corporate debt securities	68.3	—	56.6	11.7
Mortgage and other asset-backed securities	0.4	—	0.4	—
State and local government obligations	1.1	—	1.1	—
U.S. government treasury securities	90.8	90.8	—	—
Total available-for-sale debt securities	160.6	90.8	58.1	11.7
Structured deposits	84.0	—	84.0	—
Marketable equity securities	88.7	88.7	—	—
Total short-term investments	333.3	179.5	142.1	11.7
Prepaid expenses and other current assets:				
Derivative assets	9.7	—	9.7	—
Long-term investments:				
Available-for-sale debt securities:				
Corporate debt securities	120.6	—	94.7	25.9
Mortgage and other asset-backed securities	74.7	—	74.7	—
State and local government obligations	2.7	—	2.7	—
U.S. government treasury securities	34.0	34.0	—	—
Total available-for-sale debt securities	232.0	34.0	172.1	25.9
Total long-term investments	232.0	34.0	172.1	25.9
Other long-term assets:				
Derivative assets	187.0	—	187.0	—
Total assets	$ 4,934.6	$ 4,386.1	$ 510.9	$ 37.6
Liabilities:				
Accrued liabilities:				
Derivative liabilities	$ 6.4	$ —	$ 6.4	$ —
Other long-term liabilities:				
Derivative liabilities	31.1	—	31.1	—
Total liabilities	$ 37.5	$ —	$ 37.5	$ —

	Balance at September 29, 2024	Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and cash equivalents	$ 3,286.2	$ 3,286.2	$ —	$ —
Short-term investments:				
Available-for-sale debt securities:				
Corporate debt securities	51.8	—	51.8	—
Foreign corporate bonds	0.2	—	0.2	—
Mortgage and other asset-backed securities	0.4	—	0.4	—
State and local government obligations	1.4	—	1.4	—
U.S. government treasury securities	36.9	36.9	—	—
Total available-for-sale debt securities	90.7	36.9	53.8	—
Structured deposits	84.1	—	84.1	—
Marketable equity securities	82.2	82.2	—	—
Total short-term investments	257.0	119.1	137.9	—
Prepaid expenses and other current assets:				
Derivative assets	8.7	—	8.7	—
Long-term investments:				
Available-for-sale debt securities:				
Corporate debt securities	112.8	—	101.8	11.0
Mortgage and other asset-backed securities	64.4	—	64.4	—
State and local government obligations	3.7	—	3.7	—
U.S. government treasury securities	94.9	94.9	—	—
Total available-for-sale debt securities	275.8	94.9	169.9	11.0
Structured deposits	0.2	—	0.2	—
Total long-term investments	276.0	94.9	170.1	11.0
Other long-term assets:				
Derivative assets	179.1	—	179.1	—
Total assets	$ 4,007.0	$ 3,500.2	$ 495.8	$ 11.0
Liabilities:				
Accrued liabilities:				
Derivative liabilities	$ 29.2	$ —	$ 29.2	$ —
Other long-term liabilities:				
Derivative liabilities	56.7	—	56.7	—
Total liabilities	$ 85.9	$ —	$ 85.9	$ —

There were no material transfers between levels, and there was no significant activity within Level 3 instruments during the periods presented. The fair values of any financial instruments presented above exclude the impact of netting assets and liabilities when a legally enforceable master netting agreement exists.

Gross unrealized holding gains and losses on available-for-sale debt securities, structured deposits, and marketable equity securities were not material as of June 29, 2025 and September 29, 2024.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Assets and liabilities recognized or disclosed at fair value on the consolidated financial statements on a nonrecurring basis include items such as property, plant and equipment, right-of-use assets, goodwill and other intangible assets, equity and other investments, and other assets. These assets are measured at fair value if determined to be impaired.

The estimated fair value of our long-term debt based on the quoted market price (Level 2) is included at Note 8, Debt. There were no material fair value adjustments during the three quarters ended June 29, 2025 and June 30, 2024.

Note 5: Inventories *(in millions)*:

	Jun 29, 2025	Sep 29, 2024
Coffee:		
Unroasted	$ 1,063.9	$ 665.1
Roasted	304.5	251.9
Other merchandise held for sale [1]	344.2	384.6
Packaging and other supplies	546.6	475.7
Total	$ 2,259.2	$ 1,777.3

[1] "Other merchandise held for sale" includes, among other items, food, serveware, and tea. Inventory levels vary due to seasonality, commodity market supply, and price fluctuations.

As of June 29, 2025, we had committed to purchasing green coffee totaling $250 million under fixed-price contracts and an estimated $626 million under price-to-be-fixed contracts. A portion of our price-to-be-fixed contracts are effectively fixed through the use of futures. See Note 3, Derivative Financial Instruments, for further discussion. Price-to-be-fixed contracts are purchase commitments whereby the quality, quantity, delivery period, and other negotiated terms are agreed upon, but the date, and therefore the price, at which the base "C" coffee commodity price component will be fixed has not yet been established. For most contracts, either Starbucks or the seller has the option to "fix" the base "C" coffee commodity price prior to the delivery date. For other contracts, Starbucks and the seller may agree upon pricing parameters determined by the base "C" coffee commodity price. Until prices are fixed, we estimate the total cost of these purchase commitments. We believe, based on established relationships with our suppliers and continuous monitoring, the risk of non-delivery on these purchase commitments is remote.

Note 6: Supplemental Balance Sheet and Statement of Earnings Information *(in millions)***:**

Property, Plant and Equipment, net

	Jun 29, 2025	Sep 29, 2024
Land	$ 56.9	$ 56.9
Buildings	680.0	684.8
Leasehold improvements	11,980.7	11,453.9
Store equipment	4,026.0	3,803.6
Roasting equipment	937.6	865.7
Capitalized software	1,149.6	1,049.7
Furniture, fixtures and other	887.8	775.5
Work in progress	601.2	750.9
Property, plant and equipment, gross	20,319.8	19,441.0
Accumulated depreciation	(11,426.1)	(10,775.5)
Property, plant and equipment, net	$ 8,893.7	$ 8,665.5

Accrued Liabilities

	Jun 29, 2025	Sep 29, 2024
Accrued occupancy costs	$ 80.5	$ 81.7
Accrued dividends payable	693.2	691.2
Accrued capital and other operating expenditures	805.4	842.8
Insurance reserves	279.7	244.3
Income taxes payable	170.3	123.5
Accrued business taxes	216.7	211.2
Total accrued liabilities	$ 2,245.8	$ 2,194.7

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Store Operating Expenses

	Quarter Ended		Three Quarters Ended	
	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024
Wages and benefits	$ 2,477.7	$ 2,215.7	$ 7,272.9	$ 6,564.4
Occupancy costs	828.6	764.3	2,437.9	2,251.3
Other expenses	1,038.5	849.1	3,013.1	2,589.0
Total store operating expenses	$ 4,344.8	$ 3,829.1	$ 12,723.9	$ 11,404.7

Note 7: Other Intangible Assets and Goodwill

Indefinite-Lived Intangible Assets

(in millions)	Jun 29, 2025	Sep 29, 2024
Trade names, trademarks and patents	$ 79.5	$ 79.5

Finite-Lived Intangible Assets

	Jun 29, 2025			Sep 29, 2024		
(in millions)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Acquired and reacquired rights	$ 1,065.9	$ (983.8)	$ 82.1	$ 995.5	$ (995.5)	$ —
Acquired trade secrets and processes	27.6	(27.6)	—	27.6	(27.6)	—
Trade names, trademarks and patents	130.2	(122.4)	7.8	130.4	(110.0)	20.4
Licensing agreements	13.5	(13.2)	0.3	13.4	(12.4)	1.0
Other finite-lived intangible assets	20.5	(20.5)	—	20.9	(20.9)	—
Total finite-lived intangible assets	$ 1,257.7	$ (1,167.5)	$ 90.2	$ 1,187.8	$ (1,166.4)	$ 21.4

Amortization expense for finite-lived intangible assets was $4.4 million and $15.8 million for the quarter and three quarters ended June 29, 2025, respectively, and $5.1 million and $15.3 million for the quarter and three quarters ended June 30, 2024, respectively.

Estimated future amortization expense as of June 29, 2025 (*in millions*):

Fiscal Year	Total
2025 (excluding the three quarters ended June 29, 2025)	$ 1.8
2026	6.2
2027	5.9
2028	5.3
2029	4.9
Thereafter	66.1
Total estimated future amortization expense	$ 90.2

Goodwill

Changes in the carrying amount of goodwill by reportable operating segment *(in millions)*:

	North America	International	Channel Development	Corporate and Other	Total
Goodwill balance at September 29, 2024	$ 491.5	$ 2,788.5	$ 34.7	$ 1.0	$ 3,315.7
Acquisition[(1)]	—	106.2	—	—	106.2
Other[(2)]	(0.4)	(36.7)	—	—	(37.1)
Goodwill balance at June 29, 2025	$ 491.1	$ 2,858.0	$ 34.7	$ 1.0	$ 3,384.8

(1) Additions to goodwill include the acquisition of 23.5 Degrees Topco Limited in the first quarter of fiscal 2025.

[2] "Other" consists of changes in the goodwill balance resulting from foreign currency translation.

Note 8: Debt

Revolving Credit Facility

During the third quarter of fiscal 2025, we replaced our $3.0 billion unsecured five-year revolving credit facility (the "2021 credit facility") with a new $3.0 billion unsecured five-year revolving credit facility (the "2025 credit facility").

Our 2025 credit facility, of which $150.0 million may be used for issuances of letters of credit, is currently set to mature on June 13, 2030. The 2025 credit facility is available for working capital, capital expenditures, and other general corporate purposes, including acquisitions and share repurchases. We have the option, subject to negotiation and agreement with the related banks, to increase the maximum commitment amount by an additional $1.0 billion.

Borrowings under the 2025 credit facility will bear interest at a fluctuating rate based on the Term Secured Overnight Financing Rate ("Term SOFR"), and, for U.S. dollar-denominated loans under certain circumstances, a Base Rate (as defined in the 2025 credit facility), in each case plus an applicable rate. The applicable rate is based on the Company's long-term credit ratings assigned by Moody's and Standard & Poor's rating agencies. The 2025 credit facility contains alternative interest rate provisions specifying rate calculations to be used at such time Term SOFR ceases to be available as a benchmark due to reference rate reform. The "Base Rate" of interest is the highest of (i) the Federal Funds Rate plus 0.50%, (ii) Bank of America's prime rate, (iii) Term SOFR plus 1.00%, and (iv) 1.00%. Upon the occurrence of any event of default under the 2025 credit facility, interest on the outstanding amount of the indebtedness under the 2025 credit facility will bear interest at a rate per annum equal to 2% in excess of the interest then borne by such borrowings.

The 2025 credit facility contains provisions requiring us to maintain compliance with certain covenants, including a minimum fixed charge coverage ratio, which measures our ability to cover financing expenses. As of June 29, 2025, we were in compliance with all applicable covenants. No amounts were outstanding under our 2025 credit facility as of June 29, 2025, or our 2021 credit facility as of September 29, 2024.

Short-term Debt

Under our commercial paper program, we may issue unsecured commercial paper notes up to a maximum aggregate amount outstanding at any time of $3.0 billion, with individual maturities that may vary but not exceed 397 days from the date of issue. Amounts outstanding under the commercial paper program are required to be backstopped by available commitments under our 2025 credit facility. The proceeds from borrowings under our commercial paper program may be used for working capital needs, capital expenditures, and other corporate purposes, including, but not limited to, business expansion, payment of cash dividends on our common stock, and share repurchases. We had no borrowings outstanding under our commercial paper program as of June 29, 2025 and September 29, 2024. Our total available contractual borrowing capacity for general corporate purposes was $3.0 billion as of the end of our third quarter of fiscal 2025.

Additionally, we hold the following Japanese yen-denominated credit facilities that are available for working capital needs and capital expenditures within our Japanese market:

- A ¥5.0 billion, or $34.6 million, credit facility is currently set to mature on December 30, 2025. Borrowings under this credit facility are subject to terms defined within the facility and will bear interest at a variable rate based on Tokyo Interbank Offered Rate ("TIBOR") plus an applicable margin of 0.400%.
- A ¥10.0 billion, or $69.2 million, credit facility is currently set to mature on March 27, 2026. Borrowings under this credit facility are subject to terms defined within the facility and will bear interest at a variable rate based on TIBOR plus an applicable margin of 0.300%.

As of June 29, 2025 and September 29, 2024, we had no borrowings outstanding under these credit facilities.

Long-term Debt

Components of long-term debt including the associated interest rates and related estimated fair values by calendar maturity (*in millions, except interest rates)*:

	Jun 29, 2025		Sep 29, 2024			
Issuance	Amount	Estimated Fair Value	Amount	Estimated Fair Value	Stated Interest Rate	Effective Interest Rate[1]
August 2025 notes	$ 1,250.0	$ 1,248.7	$ 1,250.0	$ 1,243.4	3.800 %	3.721 %
February 2026 notes	1,000.0	1,000.0	1,000.0	1,008.3	4.750 %	4.788 %
June 2026 notes	500.0	490.4	500.0	486.8	2.450 %	2.511 %
February 2027 notes	1,000.0	1,008.2	1,000.0	1,017.8	4.850 %	4.958 %
March 2027 notes	500.0	480.7	500.0	477.1	2.000 %	2.058 %
March 2028 notes	600.0	588.2	600.0	590.3	3.500 %	3.529 %
May 2028 notes	750.0	753.5	—	—	4.500 %	4.719 %
November 2028 notes	750.0	742.9	750.0	748.4	4.000 %	3.958 %
August 2029 notes[2]	1,000.0	970.3	1,000.0	977.3	3.550 %	3.840 %
March 2030 notes	750.0	679.0	750.0	679.0	2.250 %	3.084 %
May 2030 notes	500.0	505.7	—	—	4.800 %	4.932 %
November 2030 notes	1,250.0	1,129.2	1,250.0	1,135.4	2.550 %	2.582 %
February 2031 notes	500.0	508.9	500.0	520.8	4.900 %	5.046 %
February 2032 notes	1,000.0	900.0	1,000.0	912.0	3.000 %	3.155 %
February 2033 notes	500.0	499.0	500.0	513.1	4.800 %	3.798 %
February 2034 notes	500.0	501.2	500.0	515.0	5.000 %	5.127 %
May 2035 notes	500.0	506.9	—	—	5.400 %	5.510 %
June 2045 notes	350.0	281.7	350.0	308.5	4.300 %	4.348 %
December 2047 notes	500.0	364.8	500.0	398.8	3.750 %	3.765 %
November 2048 notes	1,000.0	822.6	1,000.0	903.4	4.500 %	4.504 %
August 2049 notes	1,000.0	811.5	1,000.0	889.0	4.450 %	4.447 %
March 2050 notes	500.0	333.7	500.0	367.9	3.350 %	3.362 %
November 2050 notes	1,250.0	865.4	1,250.0	954.4	3.500 %	3.528 %
Total	17,450.0	15,992.5	15,700.0	14,646.7		
Aggregate debt issuance costs and unamortized premium/(discount), net	(113.3)		(113.8)			
Hedge accounting fair value adjustment[2]	(17.6)		(17.8)			
Total	$ 17,319.1		$ 15,568.4			

(1) Includes the effects of the amortization of any premium or discount and any gain or loss upon settlement of related treasury locks or forward-starting interest rate swaps utilized to hedge interest rate risk prior to the debt issuance.

(2) Amount includes the change in fair value due to changes in benchmark interest rates related to hedging $350.0 million of our August 2029 notes. Refer to Note 3, Derivative Financial Instruments, for additional information on our interest rate swap agreements designated as fair value hedges.

The following table summarizes our long-term debt maturities as of June 29, 2025 by fiscal year (*in millions*):

Fiscal Year	Total
2025 (excluding the three quarters ended June 29, 2025)	$ 1,250.0
2026	1,500.0
2027	1,500.0
2028	1,350.0
2029	1,750.0
Thereafter	10,100.0
Total	$ 17,450.0

Note 9: Leases

The components of lease costs *(in millions)*:

	Quarter Ended		Three Quarters Ended	
	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024
Operating lease costs[1]	$ 472.7	$ 431.3	$ 1,389.9	$ 1,272.8
Variable lease costs	304.8	279.3	895.7	822.9
Short-term lease costs	5.3	6.2	16.1	21.1
Total lease costs	$ 782.8	$ 716.8	$ 2,301.7	$ 2,116.8

(1) Includes immaterial amounts of sublease income and rent concessions.

The following table includes supplemental information *(in millions)*:

	Three Quarters Ended	
	Jun 29, 2025	Jun 30, 2024
Cash paid related to operating lease liabilities	$ 1,411.9	$ 1,223.7
Operating lease liabilities arising from obtaining right-of-use assets[1]	1,489.0	1,548.7

	Jun 29, 2025	Jun 30, 2024
Weighted-average remaining operating lease term	8.6 years	8.6 years
Weighted-average operating lease discount rate	3.6 %	3.3 %

(1) Includes leases obtained in the acquisition of 23.5 Degrees Topco Limited in the first quarter of fiscal 2025.

Finance lease assets are recorded in property, plant and equipment, net with the corresponding lease liabilities included in accrued liabilities and other long-term liabilities on the consolidated balance sheets. These balances were not material as of June 29, 2025 and September 29, 2024. Finance lease costs were also immaterial for the quarters ended June 29, 2025 and June 30, 2024.

Minimum future maturities of operating lease liabilities *(in millions)*:

Fiscal Year	Total
2025 (excluding the three quarters ended June 29, 2025)	$ 478.9
2026	1,875.3
2027	1,703.4
2028	1,500.8
2029	1,313.1
Thereafter	5,551.2
Total lease payments	12,422.7
Less imputed interest	(1,855.7)
Total	$ 10,567.0

As of June 29, 2025, we have entered into operating leases that have not yet commenced of $1.2 billion, primarily related to real estate leases. These leases will commence between fiscal year 2025 and fiscal year 2029 with lease terms ranging from 5 to 20 years.

Note 10: Deferred Revenue

Our deferred revenue primarily consists of the prepaid royalty from Nestlé, for which we have continuing performance obligations to support the Global Coffee Alliance, our unredeemed stored value card liability, and unredeemed loyalty points (“Stars”) associated with our loyalty program.

As of June 29, 2025, the current and long-term deferred revenue related to the Nestlé up-front payment was $177.0 million and $5.7 billion, respectively. As of September 29, 2024, the current and long-term deferred revenue related to the Nestlé up-front payment was $177.0 million and $5.8 billion, respectively. During each of the quarters ended June 29, 2025 and June 30, 2024, we recognized $44.1 million of prepaid royalty revenue related to Nestlé. During each of the three quarters ended June 29, 2025 and June 30, 2024, we recognized $132.3 million of prepaid royalty revenue related to Nestlé.

Changes in our deferred revenue balance related to our stored value cards and loyalty program *(in millions)*:

Quarter Ended June 29, 2025		Total
Stored value cards and loyalty program at March 30, 2025	$	1,853.2
Revenue deferred - card activations, card reloads and Stars earned		3,764.0
Revenue recognized - card and Stars redemptions and breakage		(3,788.2)
Other[1]		15.3
Stored value cards and loyalty program at June 29, 2025[2]	$	1,844.3

Quarter Ended June 30, 2024		Total
Stored value cards and loyalty program at March 31, 2024	$	1,818.9
Revenue deferred - card activations, card reloads and Stars earned		3,833.4
Revenue recognized - card and Stars redemptions and breakage		(3,870.2)
Other[1]		(8.3)
Stored value cards and loyalty program at June 30, 2024[2]	$	1,773.8

Three Quarters Ended June 29, 2025		Total
Stored value cards and loyalty program at September 29, 2024	$	1,718.7
Revenue deferred - card activations, card reloads and Stars earned		11,675.2
Revenue recognized - card and Stars redemptions and breakage		(11,544.0)
Other[1]		(5.6)
Stored value cards and loyalty program at June 29, 2025[2]	$	1,844.3

Three Quarters Ended June 30, 2024		Total
Stored value cards and loyalty program at October 1, 2023	$	1,567.5
Revenue deferred - card activations, card reloads and Stars earned		11,977.1
Revenue recognized - card and Stars redemptions and breakage		(11,761.0)
Other[1]		(9.8)
Stored value cards and loyalty program at June 30, 2024[2]	$	1,773.8

(1) “Other” primarily consists of changes in the stored value cards and loyalty program balances resulting from foreign currency translation.

(2) As of June 29, 2025 and June 30, 2024, approximately $1.7 billion and $1.6 billion, respectively, of these amounts were current.

Note 11: Equity

Changes in AOCI by component, net of tax *(in millions)*:

Quarter Ended	Available-for-Sale Debt Securities	Cash Flow Hedges	Net Investment Hedges	Translation Adjustment and Other	Total
June 29, 2025					
Net gains/(losses) in AOCI, beginning of period	$ (1.8)	$ 67.3	$ 371.1	$ (965.6)	$ (529.0)
Net gains/(losses) recognized in OCI before reclassifications	1.4	(68.0)	(58.0)	157.6	33.0
Net (gains)/losses reclassified from AOCI to earnings	0.2	(19.3)	(20.2)	—	(39.3)
Other comprehensive income/(loss) attributable to Starbucks	1.6	(87.3)	(78.2)	157.6	(6.3)
Other comprehensive income/(loss) attributable to NCI	—	—	—	0.1	0.1
Net gains/(losses) in AOCI, end of period	$ (0.2)	$ (20.0)	$ 292.9	$ (807.9)	$ (535.2)
June 30, 2024					
Net gains/(losses) in AOCI, beginning of period	$ (7.9)	$ 40.6	$ 279.2	$ (933.4)	$ (621.5)
Net gains/(losses) recognized in OCI before reclassifications	0.8	29.5	85.2	(92.0)	23.5
Net (gains)/losses reclassified from AOCI to earnings	0.2	0.5	(10.6)	(0.1)	(10.0)
Other comprehensive income/(loss) attributable to Starbucks	1.0	30.0	74.6	(92.1)	13.5
Net gains/(losses) in AOCI, end of period	$ (6.9)	$ 70.6	$ 353.8	$ (1,025.5)	$ (608.0)

Three Quarters Ended	Available-for-Sale Debt Securities	Cash Flow Hedges	Net Investment Hedges	Translation Adjustment and Other	Total
June 29, 2025					
Net gains/(losses) in AOCI, beginning of period	$ (2.3)	$ 70.5	$ 247.7	$ (744.7)	$ (428.8)
Net gains/(losses) recognized in OCI before reclassifications	1.5	(21.4)	106.9	(63.0)	24.0
Net (gains)/losses reclassified from AOCI to earnings	0.6	(69.1)	(61.7)	—	(130.2)
Other comprehensive income/(loss) attributable to Starbucks	2.1	(90.5)	45.2	(63.0)	(106.2)
Other comprehensive income/(loss) attributable to NCI	—	—	—	(0.2)	(0.2)
Net gains/(losses) in AOCI, end of period	$ (0.2)	$ (20.0)	$ 292.9	$ (807.9)	$ (535.2)
June 30, 2024					
Net gains/(losses) in AOCI, beginning of period	$ (12.3)	$ (47.5)	$ 243.3	$ (961.7)	$ (778.2)
Net gains/(losses) recognized in OCI before reclassifications	4.7	90.2	135.5	(63.8)	166.6
Net (gains)/losses reclassified from AOCI to earnings	0.7	27.9	(25.0)	(0.1)	3.5
Other comprehensive income/(loss) attributable to Starbucks	5.4	118.1	110.5	(63.9)	170.1
Other comprehensive income/(loss) attributable to NCI	—	—	—	0.1	0.1
Net gains/(losses) in AOCI, end of period	$ (6.9)	$ 70.6	$ 353.8	$ (1,025.5)	$ (608.0)

Impact of reclassifications from AOCI on the consolidated statements of earnings *(in millions)*:

Quarter Ended

AOCI Components	Amounts Reclassified from AOCI Jun 29, 2025	Jun 30, 2024	Affected Line Item in the Statements of Earnings
Gains/(losses) on available-for-sale debt securities	$ (0.2)	$ (0.3)	Interest income and other, net
Gains/(losses) on cash flow hedges	23.5	0.2	Please refer to Note 3, Derivative Financial Instruments for additional information.
Gains/(losses) on net investment hedges	27.0	14.2	Interest expense
Translation adjustment[1]			
Other	—	0.1	Interest income and other, net
	50.3	14.2	Total before tax
	(11.0)	(4.2)	Tax (expense)/benefit
	$ 39.3	$ 10.0	Net of tax

Three Quarters Ended

AOCI Components	Amounts Reclassified from AOCI Jun 29, 2025	Jun 30, 2024	Affected Line Item in the Statements of Earnings
Gains/(losses) on available-for-sale debt securities	$ (0.6)	$ (1.0)	Interest income and other, net
Gains/(losses) on cash flow hedges	89.9	(29.5)	Please refer to Note 3, Derivative Financial Instruments for additional information.
Gains/(losses) on net investment hedges	82.4	33.3	Interest expense
Translation adjustment[1]			
Other	—	0.1	Interest income and other, net
	171.7	2.9	Total before tax
	(41.5)	(6.4)	Tax (expense)/benefit
	$ 130.2	$ (3.5)	Net of tax

(1) Release of cumulative translation adjustments and other activities to earnings upon sale, liquidation, or dissolution of foreign business.

In addition to 2.4 billion shares of authorized common stock with $0.001 par value per share, we have 7.5 million shares of authorized preferred stock, none of which was outstanding as of June 29, 2025.

During the three quarters ended June 29, 2025, we made no share repurchases. During the three quarters ended June 30, 2024, we repurchased 12.8 million shares of common stock on the open market for $1,250.1 million. As of June 29, 2025, 29.8 million shares remained available for repurchase under current authorizations.

During the third quarter of fiscal 2025, our Board of Directors approved a quarterly cash dividend to shareholders of $0.61 per share to be paid on August 29, 2025 to shareholders of record as of the close of business on August 15, 2025.

Note 12: Employee Stock Plans

As of June 29, 2025, there were 76.2 million shares of common stock available for issuance pursuant to future equity-based compensation awards and 9.2 million shares available for issuance under our employee stock purchase plan.

Stock-based compensation expense recognized in the consolidated statements of earnings *(in millions)*:

	Quarter Ended		Three Quarters Ended	
	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024
Restricted Stock Units (“RSUs”)	$ 66.0	$ 63.7	$ 244.3	$ 236.9
Options	—	(0.2)	—	(0.4)
Total stock-based compensation expense	$ 66.0	$ 63.5	$ 244.3	$ 236.5

Stock option and RSU transactions from September 29, 2024 through June 29, 2025 (*in millions*):

	Stock Options	RSUs
Options outstanding/Nonvested RSUs, September 29, 2024	0.9	8.7
Granted	—	4.6
Options exercised/RSUs vested	(0.3)	(3.1)
Forfeited/expired	—	(1.5)
Options outstanding/Nonvested RSUs, June 29, 2025	0.6	8.7
Total unrecognized stock-based compensation expense, net of estimated forfeitures, as of June 29, 2025	$ —	$ 282.0

Note 13: Earnings per Share

Calculation of net earnings per common share ("EPS") — basic and diluted (*in millions, except EPS*):

	Quarter Ended		Three Quarters Ended	
	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024
Net earnings attributable to Starbucks	$ 558.3	$ 1,054.8	$ 1,723.2	$ 2,851.7
Weighted average common shares outstanding (for basic calculation)	1,136.4	1,132.8	1,135.7	1,133.9
Dilutive effect of outstanding common stock options and RSUs	3.4	3.0	3.7	3.4
Weighted average common and common equivalent shares outstanding (for diluted calculation)	1,139.8	1,135.8	1,139.4	1,137.3
EPS — basic	$ 0.49	$ 0.93	$ 1.52	$ 2.51
EPS — diluted	$ 0.49	$ 0.93	$ 1.51	$ 2.51

Potential dilutive shares consist of the incremental common shares issuable upon the exercise of outstanding stock options (both vested and non-vested) and unvested RSUs, calculated using the treasury stock method. The calculation of dilutive shares outstanding excludes anti-dilutive stock options or unvested RSUs, which were immaterial in the periods presented.

Note 14: Commitments and Contingencies

Legal Proceedings

Starbucks is involved in various legal proceedings arising in the ordinary course of business, including litigation matters associated with labor union organizing efforts and certain employment litigation cases that have been certified as class or collective actions, but is not currently a party to any legal proceeding that management believes could have a material adverse effect on our consolidated financial position, results of operations, or cash flows. While we are closely monitoring the operational and financial impacts of labor union organizing efforts on our business, as of the date of this filing, we believe the risk of a material contingent loss associated with these litigation matters is remote. Refer to the Risk Factors in Part I, Item 1A of our most recently filed 10-K for further discussion of potential risks to our brand and related impacts on our financial results.

Note 15: Segment Reporting

Segment information is prepared on the same basis that our chief executive officer, who is our Chief Operating Decision Maker, manages the segments, evaluates financial results, and makes key operating decisions.

Consolidated revenue mix by product type (*in millions*):

	Quarter Ended				Three Quarters Ended			
	Jun 29, 2025		Jun 30, 2024		Jun 29, 2025		Jun 30, 2024	
Beverage[1]	$ 5,752.0	61 %	$ 5,528.0	61 %	$ 16,723.8	61 %	$ 16,384.4	60 %
Food[2]	1,787.5	19 %	1,744.5	19 %	5,269.9	19 %	5,084.4	19 %
Other[3]	1,916.5	20 %	1,841.4	20 %	5,621.7	20 %	5,633.5	21 %
Total	$ 9,456.0	100 %	$ 9,113.9	100 %	$ 27,615.4	100 %	$ 27,102.3	100 %

(1) "Beverage" represents sales within our company-operated stores.

(2) "Food" represents sales within our company-operated stores.

(3) "Other" primarily consists of packaged and single-serve coffees and teas, royalty and licensing revenues, beverage-related ingredients, and serveware, among other items.

The tables below present financial information for our reportable operating segments and Corporate and Other *(in millions)*:

Quarter Ended

	North America	International	Channel Development	Corporate and Other	Total
June 29, 2025					
Total net revenues	$ 6,927.0	$ 2,010.7	$ 483.8	$ 34.5	$ 9,456.0
Depreciation and amortization expenses	303.5	91.4	—	32.7	427.6
Income/(loss) from equity investees	—	(1.3)	58.4	—	57.1
Operating income/(loss)	$ 918.7	$ 272.7	$ 218.4	$ (474.2)	$ 935.6
June 30, 2024					
Total net revenues	$ 6,816.7	$ 1,842.1	$ 438.3	$ 16.8	$ 9,113.9
Depreciation and amortization expenses	266.6	82.7	—	31.1	380.4
Income/(loss) from equity investees	—	2.5	71.4	—	73.9
Operating income/(loss)	$ 1,432.7	$ 287.5	$ 235.2	$ (437.9)	$ 1,517.5

Three Quarters Ended

	North America	International	Channel Development	Corporate and Other	Total
June 29, 2025					
Total net revenues	$ 20,471.7	$ 5,749.1	$ 1,329.0	$ 65.6	$ 27,615.4
Depreciation and amortization expenses	891.6	269.5	—	92.9	1,254.0
Income from equity investees	—	(2.1)	164.8	—	162.7
Operating income/(loss)	$ 2,848.3	$ 726.9	$ 619.8	$ (1,536.6)	$ 2,658.4
June 30, 2024					
Total net revenues	$ 20,317.6	$ 5,445.6	$ 1,304.5	$ 34.6	$ 27,102.3
Depreciation and amortization expenses	774.2	251.0	—	92.4	1,117.6
Income from equity investees	—	2.9	194.9	—	197.8
Operating income/(loss)	$ 4,101.8	$ 762.8	$ 661.2	$ (1,423.9)	$ 4,101.9

Note 16: Restructuring

In the fourth quarter of fiscal 2024, we announced our “Back to Starbucks” strategy, which was implemented with the goal to bring customers back to our stores and return to growth. As part of this strategy, during the second quarter of fiscal 2025, we further decided and announced our plan to restructure our support organization in an effort to operate more efficiently, increase accountability, reduce complexity, and drive better integration, which resulted in a reduction in our support partner workforce. During the quarter and three quarters ended June 29, 2025, we recognized pre-tax restructuring charges of $20.8 million and $137.0 million, respectively, primarily associated with partner severance costs. These costs were recorded to restructuring on our consolidated statement of earnings. As of June 29, 2025, approximately $29 million of severance costs remained in accrued payroll and benefits on our consolidated balance sheet. We expect additional restructuring costs in the fourth quarter of fiscal 2025, which may, in the aggregate, be material. These are primarily related to the evaluation of our store portfolio and restructuring our support organization, including the recently announced voluntary resignation program.

Item 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

CAUTIONARY STATEMENT PURSUANT TO THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Certain statements contained herein are "forward-looking" statements within the meaning of applicable securities laws and regulations. Generally, these statements can be identified by the use of words such as "aim," "anticipate," "believe," "continue," "could," "estimate," "expect," "feel," "forecast," "intend," "may," "outlook," "plan," "potential," "predict," "project," "seek," "should," "will," "would," and similar expressions intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. By their nature, forward-looking statements involve risks, uncertainties, and other factors (many beyond our control) that could cause our actual results to differ materially from our historical experience or from our current expectations or projections. Our forward-looking statements, and the risks and uncertainties related thereto, include, but are not limited to, those described under the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of our most recently filed 10-K and 10-Q and in other reports we file with the SEC, as well as, among others:

• our ability to preserve, grow, and leverage our brands, including the risk of negative responses by consumers (such as boycotts or negative publicity campaigns), governmental actors (such as retaliatory or threatened legislative treatment or other actions), or other third parties who object to certain actions taken or not taken by the Company, whose responses could adversely affect our brand value;
• the impact of our marketing strategies, promotional and advertising plans, pricing strategies, platforms, reformulations, innovations, or customer experience initiatives or investments;
• the costs and risks associated with, and the successful and timely execution and effects of, our existing and any future business opportunities, expansions, initiatives, strategies, investments, and plans, including our "Back to Starbucks" plan;
• the costs and risks associated with, and the successful execution and effects of, strategic changes to our ownership and operating structure, including as a result of acquisitions, divestitures, or entry into joint ventures;
• our ability to align our investment efforts with our strategic goals;
• changes in consumer preferences, demand, consumption, or spending behavior, including due to shifts in demographic or health and wellness trends, reduction in discretionary spending and price increases, and our ability to anticipate or react to these changes;
• the ability of our business partners, suppliers, and third-party providers to fulfill their responsibilities and commitments;
• the potential negative effects of reported incidents involving food- or beverage-borne illnesses, tampering, adulteration, contamination, or mislabeling;
• our ability to open new stores and efficiently maintain the attractiveness of our existing stores;
• our dependence on the financial performance of our North America operating segment, and our increasing dependence on certain international markets;
• our anticipated cash requirements and operating expenses, including our anticipated total capital expenditures;
• inherent risks of operating a global business, including changing conditions in our markets, local factors affecting store openings, protectionist trade or foreign investment policies, such as imposed or threatened to be imposed tariffs and other trade controls, economic or trade sanctions, compliance with local laws and other regulations, and local labor policies and conditions, including labor strikes and work stoppages;
• higher costs, lower quality, or unavailability of coffee, dairy, cocoa, energy, water, raw materials, or product ingredients;
• the potential impact on our supply chain and operations of adverse weather conditions, natural disasters, or significant increases in logistics costs;
• the ability of our supply chain to meet current or future business needs and our ability to scale and improve our forecasting, planning, production, and logistics management;
• a worsening in the terms and conditions upon which we engage with our manufacturers and source suppliers, whether resulting from broader local or global conditions or dynamics specific to our relationships with such parties;
• the impact of unfavorable global or regional economic conditions and related economic slowdowns or recessions, low consumer confidence, high unemployment, weak credit or capital markets, budget deficits, burdensome government debt, austerity measures, higher interest rates, higher taxes, international trade disputes, government restrictions, geopolitical instability, higher inflation, or deflation;
• failure to meet our announced guidance or market expectations and the impact thereof;
• failure to attract or retain key executive or partner talent or successfully onboard or transition executives;
• the impacts of partner investments, business transformation initiatives, including those related to our workforce, and changes in the availability and cost of labor, including any union organizing efforts and our responses to such efforts;
• the impact of foreign currency translation, particularly a stronger U.S. dollar;
• the impact of, and our ability to respond to, substantial competition from new entrants, consolidations by competitors, and other competitive activities, such as pricing actions (including price reductions, promotions, discounting, couponing, or free goods), marketing, category expansion, product introductions, or entry or expansion in our geographic markets;
• potential impacts of climate change;
• evolving corporate governance and public disclosure regulations and expectations;
• the potential impact of activist shareholder actions or tactics;

• failure to comply with applicable laws and changing legal and regulatory requirements;
• the impact or likelihood of significant legal disputes and proceedings or government investigations;
• potential negative effects of, and our ability to respond to, a material failure, inadequacy, or interruption of our information technology systems or those of our third-party business partners or service providers, or failure to comply with data protection laws; and
• our ability to adequately protect our intellectual property or adequately ensure that we are not infringing the intellectual property of others.

In addition, many of the foregoing risks and uncertainties are, or could be, exacerbated by any worsening of the global business and economic environment. A forward-looking statement is neither a prediction nor a guarantee of future events or circumstances, and those future events or circumstances may not occur. You should not place undue reliance on the forward-looking statements, which speak only as of the date of this report. We are under no obligation to update or alter any forward-looking statements, whether as a result of new information, future events, or otherwise.

This information should be read in conjunction with the unaudited consolidated financial statements and the notes included in Item 1 of Part I of this 10-Q and the audited consolidated financial statements and notes, and Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”), contained in the 10-K.

Introduction and Overview

Starbucks is the premier roaster, marketer, and retailer of specialty coffee globally, with a presence in 88 markets worldwide. As of June 29, 2025, Starbucks had more than 41,000 company-operated and licensed stores, an increase of 4% from the prior year. Additionally, we sell a variety of consumer-packaged goods, primarily through the Global Coffee Alliance established with Nestlé and other partnerships and joint ventures.

We have three reportable operating segments: 1) North America, which is inclusive of the U.S. and Canada; 2) International, which is inclusive of China, Japan, Asia Pacific, Europe, Middle East, Africa, Latin America, and the Caribbean; and 3) Channel Development. Unallocated corporate expenses are reported within Corporate and Other.

We believe our financial results and long-term growth model will continue to be driven by new store openings, comparable store sales, and operating margin management, underpinned by disciplined capital allocation. We believe these key operating metrics are useful to investors because management uses these metrics to assess the growth of our business and the effectiveness of our marketing and operational strategies. Throughout this MD&A, we commonly discuss the following key operating metrics:

- New store openings and store count
- Comparable store sales
- Operating margin

Comparable store sales represents the percentage change in sales in one period from the same prior year period for company-operated stores open for 13 months or longer and excludes the impact of foreign currency translation. We analyze comparable store sales on a constant currency basis as this helps identify underlying business trends, without distortion from the effects of currency movements. Stores that are temporarily closed or operating at reduced hours remain in comparable store sales while stores identified for permanent closure have been removed.

Our fiscal year ends on the Sunday closest to September 30. Fiscal 2025 and 2024 include 52 weeks. All references to store counts, including data for new store openings, are reported net of store closures, unless otherwise noted.

Starbucks results for the third quarter of fiscal 2025 showed continued progress on key “Back to Starbucks” initiatives, specifically investments in coffeehouse partners, including the Leadership Experience 2025, a conference designed to empower and motivate our retail leaders to accelerate our “Back to Starbucks” strategy, as we work to rebuild a stronger Starbucks. During the third quarter of fiscal 2025, consolidated net revenues increased 4% to $9.5 billion compared to $9.1 billion in the third quarter of fiscal 2024, primarily driven by incremental revenues from net new company-operated store openings over the past 12 months, partially offset by a decrease in global comparable store sales. During the quarter ended June 29, 2025, our global comparable store sales declined 2%, primarily driven by a 2% decline in the U.S. market. Specific to the U.S. market, the decrease in comparable store sales was driven by a 4% decrease in comparable transactions, partially offset by a 2% increase in average ticket, primarily due to fewer discounts in the current year. Consolidated operating margin contracted 680 basis points from the prior year to 9.9%, primarily driven by deleverage, investments in support of “Back to Starbucks,” including additional labor and the Leadership Experience 2025, and inflation, primarily driven by elevated coffee pricing.

For the balance of this fiscal year, we expect that the macroeconomic challenges we have been experiencing, including impacts from new tariffs and volatile coffee prices, will continue; however we are encouraged by the results we have seen from our “Back to Starbucks” initiatives and early results from our pilots. For example, as a result of compelling early insights, we have decided to accelerate the rollout of the Green Apron Service model, a new foundational operating model that establishes repeatable, consistent, and scalable standards, across U.S. company-operated stores in the next few months. We will continue to prioritize disciplined capital investments in our stores, and we are conducting a comprehensive evaluation of our store portfolio, which we expect will be complete by the end of the fiscal year and result in additional material restructuring charges. Additionally, we will continue our efforts to identify a strategic partner with a similar vision and values to help us capture future growth opportunities in China. Our focus will continue to be on the long-term, sustainable growth of the company. We believe the actions we are taking now and in the future, specifically through our investments in store partners, uplifting the coffeehouse experience, introducing new food and beverage platforms, and reimagining the Starbucks rewards program, paired with disciplined prioritization, while driving more efficiency, accountability, and agility as a company, will lay the foundation for the future of Starbucks.

Results of Operations *(in millions)*

Revenues

	Quarter Ended				Three Quarters Ended			
	Jun 29, 2025	Jun 30, 2024	$ Change	% Change	Jun 29, 2025	Jun 30, 2024	$ Change	% Change
Company-operated stores	$ 7,812.5	$ 7,516.0	$ 296.5	3.9 %	$ 22,882.9	$ 22,323.8	$ 559.1	2.5 %
Licensed stores	1,105.6	1,129.0	(23.4)	(2.1)	3,257.3	3,375.7	(118.4)	(3.5)
Other	537.9	468.9	69.0	14.7	1,475.2	1,402.8	72.4	5.2
Total net revenues	**$ 9,456.0**	**$ 9,113.9**	**$ 342.1**	**3.8 %**	**$ 27,615.4**	**$ 27,102.3**	**$ 513.1**	**1.9 %**

For the quarter ended June 29, 2025 compared with the quarter ended June 30, 2024

Total net revenues for the third quarter of fiscal 2025 increased $342 million, primarily due to higher revenues from company-operated stores ($297 million) and other revenues ($69 million), partially offset by a decrease in revenues from licensed stores ($23 million).

Company-operated store revenue increased $297 million, primarily driven by incremental revenues from 1,151 net new company-operated stores, or a 6% increase, over the past 12 months ($330 million). Also contributing to the overall increase in company-operated store revenue were favorable foreign currency translation impacts ($45 million) and incremental revenue from the conversion of 113 licensed stores to company-operated stores ($36 million) following the acquisition of 23.5 Degrees Topco Limited, a U.K. licensed business partner, during the first quarter of fiscal 2025. These increases in net revenue were partially offset by a 2% decrease in comparable store sales ($122 million), attributable to a 2% decrease in comparable transactions, partially offset by a 1% increase in average ticket.

Licensed stores revenue decreased $23 million, primarily driven by lower product and equipment sales to, and royalty revenues from, our licensees in our North America segment ($37 million) and the impact of the acquisition of 23.5 Degrees Topco Limited ($9 million). These decreases in licensed stores revenue were partially offset by an increase in product and equipment sales to, and royalty revenues from, our licensees in our International segment ($28 million).

Other revenues increased $69 million, primarily due to an increase in revenue in the Global Coffee Alliance ($45 million) and increased sales of cocoa butter to third parties ($20 million).

For the three quarters ended June 29, 2025 compared with the three quarters ended June 30, 2024

Total net revenues for the first three quarters of fiscal 2025 increased $513 million, primarily due to higher revenues from company-operated stores ($559 million) and other revenues ($72 million), partially offset by a decrease in revenues from licensed stores ($118 million).

Company-operated store revenue increased $559 million, primarily driven by incremental revenues from 1,151 net new company-operated stores, or a 6% increase, over the past 12 months ($927 million) and incremental revenue from the conversion of 113 licensed stores to company-operated stores ($93 million) following the acquisition of 23.5 Degrees Topco Limited. These increases in net revenue were partially offset by a 2% decrease in comparable store sales ($453 million), attributable to a 4% decrease in comparable transactions, partially offset by a 2% increase in average ticket.

Licensed stores revenue decreased $118 million, primarily driven by lower product and equipment sales to, and royalty revenues from, our licensees in our North America segment ($112 million), the impact of the acquisition of 23.5 Degrees Topco Limited ($26 million), and by unfavorable foreign currency translation impacts ($22 million). These decreases were partially offset by an increase in product and equipment sales to, and royalty revenues from, our licensees in our International segment ($49 million).

Other revenues increased $72 million, primarily due to increased sales of cocoa butter to third parties ($34 million) and an increase in revenue in the Global Coffee Alliance ($27 million).

Operating Expenses

	Quarter Ended					Three Quarters Ended				
	Jun 29, 2025	Jun 30, 2024	$ Change	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024	$ Change	Jun 29, 2025	Jun 30, 2024
				As a % of Total Net Revenues					As a % of Total Net Revenues	
Product and distribution costs	$ 2,955.5	$ 2,740.9	$ 214.6	31.3 %	30.1 %	$ 8,586.8	$ 8,370.2	$ 216.6	31.1 %	30.9 %
Store operating expenses	4,344.8	3,829.1	515.7	45.9	42.0	12,723.9	11,404.7	1,319.2	46.1	42.1
Other operating expenses	151.6	143.9	7.7	1.6	1.6	442.8	427.1	15.7	1.6	1.6
Depreciation and amortization expenses	427.6	380.4	47.2	4.5	4.2	1,254.0	1,117.6	136.4	4.5	4.1
General and administrative expenses	677.2	576.0	101.2	7.2	6.3	1,975.2	1,878.6	96.6	7.2	6.9
Restructuring	20.8	—	20.8	0.2	—	137.0	—	137.0	0.5	—
Total operating expenses	8,577.5	7,670.3	907.2	90.7	84.2	25,119.7	23,198.2	1,921.5	91.0	85.6
Income from equity investees	57.1	73.9	(16.8)	0.6	0.8	162.7	197.8	(35.1)	0.6	0.7
Operating income	**$ 935.6**	**$ 1,517.5**	**$ (581.9)**	**9.9 %**	**16.7 %**	**$ 2,658.4**	**$ 4,101.9**	**$ (1,443.5)**	**9.6 %**	**15.1 %**
Store operating expenses as a % of company-operated stores revenue				55.6 %	50.9 %				55.6 %	51.1 %

For the quarter ended June 29, 2025 compared with the quarter ended June 30, 2024

Product and distribution costs as a percentage of total net revenues increased 120 basis points for the third quarter of fiscal 2025, largely due to inflation (approximately 100 basis points), primarily driven by elevated coffee pricing.

Store operating expenses as a percentage of total net revenues increased 390 basis points for the third quarter of fiscal 2025. Store operating expenses as a percentage of company-operated stores revenue increased 470 basis points, primarily due to additional labor (approximately 160 basis points), deleverage (approximately 150 basis points), and increased marketing (approximately 90 basis points).

Other operating expenses increased $8 million, primarily due to support costs for our licensed markets.

Depreciation and amortization expenses as a percentage of total net revenues increased 30 basis points, primarily due to deleverage.

General and administrative expenses increased $101 million, primarily due to the Leadership Experience 2025 ($81 million).

Restructuring was $21 million, largely due to costs associated with simplifying our support organization, primarily severance costs, in support of our “Back to Starbucks” strategy.

Income from equity investees decreased $17 million, primarily due to lower income from our North American Coffee Partnership joint venture.

The combination of these changes resulted in an overall decrease in operating margin of 680 basis points for the third quarter of fiscal 2025.

For the three quarters ended June 29, 2025 compared with the three quarters ended June 30, 2024

Product and distribution costs as a percentage of total net revenues increased 20 basis points for the first three quarters of fiscal 2025, primarily due to inflation (approximately 70 basis points), partially offset by supply chain efficiencies (approximately 50 basis points).

Store operating expenses as a percentage of total net revenues increased 400 basis points for the first three quarters of fiscal 2025. Store operating expenses as a percentage of company-operated stores revenue increased 450 basis points, primarily due to deleverage (approximately 200 basis points), additional labor (approximately 160 basis points), and increased marketing (approximately 90 basis points).

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Other operating expenses increased $16 million, primarily due to support costs for our licensed markets.

Depreciation and amortization expenses as a percentage of total net revenues increased 40 basis points, primarily due to deleverage.

General and administrative expenses increased $97 million, primarily due to the Leadership Experience 2025 ($81 million).

Restructuring was $137 million, largely due to costs associated with simplifying our support organization, primarily severance costs, in support of our "Back to Starbucks" strategy.

Income from equity investees decreased $35 million, primarily due to lower income from our North American Coffee Partnership joint venture.

The combination of these changes resulted in an overall decrease in operating margin of 550 basis points for the first three quarters of fiscal 2025.

Other Income and Expenses

	Quarter Ended					Three Quarters Ended				
	Jun 29, 2025	Jun 30, 2024	$ Change	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024	$ Change	Jun 29, 2025	Jun 30, 2024
				As a % of Total Net Revenues					As a % of Total Net Revenues	
Operating income	$ 935.6	$ 1,517.5	$ (581.9)	9.9 %	16.7 %	$ 2,658.4	$ 4,101.9	$ (1,443.5)	9.6 %	15.1 %
Interest income and other, net	25.6	28.1	(2.5)	0.3	0.3	81.8	96.0	(14.2)	0.3	0.4
Interest expense	(142.3)	(141.3)	(1.0)	(1.5)	(1.6)	(396.8)	(422.0)	25.2	(1.4)	(1.6)
Earnings before income taxes	818.9	1,404.3	(585.4)	8.7	15.4	2,343.4	3,775.9	(1,432.5)	8.5	13.9
Income tax expense	260.4	348.6	(88.2)	2.8	3.8	619.9	923.2	(303.3)	2.2	3.4
Net earnings including noncontrolling interests	558.5	1,055.7	(497.2)	5.9	11.6	1,723.5	2,852.7	(1,129.2)	6.2	10.5
Net earnings/(loss) attributable to noncontrolling interests	0.2	0.9	(0.7)	0.0	0.0	0.3	1.0	(0.7)	0.0	0.0
Net earnings attributable to Starbucks	**$ 558.3**	**$ 1,054.8**	**$ (496.5)**	**5.9 %**	**11.6 %**	**$ 1,723.2**	**$ 2,851.7**	**$ (1,128.5)**	**6.2 %**	**10.5 %**
Effective tax rate including noncontrolling interests				31.8 %	24.8 %				26.5 %	24.4 %

For the quarter ended June 29, 2025 compared with the quarter ended June 30, 2024

The effective tax rate for the quarter ended June 29, 2025 was 31.8% compared to 24.8% for the same period in fiscal 2024. The increase was primarily due to the discrete impact of changes in indefinite reinvestment assertions for certain foreign entities in the third quarter of fiscal 2025 (approximately 850 basis points).

For the three quarters ended June 29, 2025 compared with the three quarters ended June 30, 2024

Interest income and other, net, decreased $14 million, primarily due to lower cash balances and lower interest rates in the current year.

Interest expense decreased $25 million, primarily due to savings from cross-currency interest rate hedging, partially offset by higher interest rates on refinanced long-term debt.

The effective tax rate for the first three quarters ended June 29, 2025 was 26.5% compared to 24.4% for the same period in fiscal 2024. The increase was primarily due to the discrete impact of changes in indefinite reinvestment assertions for certain foreign entities in the third quarter of fiscal 2025 (approximately 300 basis points), partially offset by the discrete impact of a tax status change for a certain foreign entity (approximately 130 basis points).

Segment Information

Results of operations by segment *(in millions)*:

North America

	Quarter Ended					Three Quarters Ended				
	Jun 29, 2025	Jun 30, 2024	$ Change	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024	$ Change	Jun 29, 2025	Jun 30, 2024
				As a % of North America Total Net Revenues					As a % of North America Total Net Revenues	
Net revenues:										
Company-operated stores	$ 6,285.7	$ 6,135.0	$ 150.7	90.7 %	90.0 %	$ 18,515.3	$ 18,240.7	$ 274.6	90.4 %	89.8 %
Licensed stores	640.5	681.3	(40.8)	9.2	10.0	1,953.5	2,074.1	(120.6)	9.5	10.2
Other	0.8	0.4	0.4	0.0	0.0	2.9	2.8	0.1	0.0	0.0
Total net revenues	**6,927.0**	**6,816.7**	**110.3**	**100.0**	**100.0**	**20,471.7**	**20,317.6**	**154.1**	**100.0**	**100.0**
Product and distribution costs	1,909.6	1,831.9	77.7	27.6	26.9	5,684.3	5,623.5	60.8	27.8	27.7
Store operating expenses	3,552.4	3,131.1	421.3	51.3	45.9	10,442.5	9,316.2	1,126.3	51.0	45.9
Other operating expenses	69.7	69.5	0.2	1.0	1.0	216.6	214.0	2.6	1.1	1.1
Depreciation and amortization expenses	303.5	266.6	36.9	4.4	3.9	891.6	774.2	117.4	4.4	3.8
General and administrative expenses	170.0	84.9	85.1	2.5	1.2	363.9	287.9	76.0	1.8	1.4
Restructuring	3.1	—	3.1	—	—	24.5	—	24.5	0.1	0.0
Total operating expenses	6,008.3	5,384.0	624.3	86.7	79.0	17,623.4	16,215.8	1,407.6	86.1	79.8
Operating income	**$ 918.7**	**$ 1,432.7**	**$ (514.0)**	**13.3 %**	**21.0 %**	**$ 2,848.3**	**$ 4,101.8**	**$ (1,253.5)**	**13.9 %**	**20.2 %**
Store operating expenses as a % of company-operated stores revenue				56.5 %	51.0 %				56.4 %	51.1 %

For the quarter ended June 29, 2025 compared with the quarter ended June 30, 2024

Revenues

North America total net revenues for the third quarter of fiscal 2025 increased $110 million, or 2%, primarily driven by net new company-operated store growth of 5%, or 513 stores, over the past 12 months ($266 million). This growth was partially offset by a net 2% decrease in comparable store sales ($116 million), driven by a 3% decrease in comparable transactions, partially offset by a 1% increase in average ticket, primarily due to fewer discounts in the current year. Also contributing were lower product and equipment sales to, and royalty revenues from, our licensees ($37 million).

Operating Margin

North America operating income for the third quarter of fiscal 2025 decreased 36% to $919 million, compared to $1.4 billion in the third quarter of fiscal 2024. Operating margin contracted 770 basis points to 13.3%, primarily driven by deleverage (approximately 250 basis points), investments in support of “Back to Starbucks,” including additional labor (approximately 170 basis points) and the Leadership Experience 2025 (approximately 120 basis points), and inflation (approximately 110 basis points), primarily driven by elevated coffee pricing.

For the three quarters ended June 29, 2025 compared with the three quarters ended June 30, 2024

Revenues

North America total net revenues for the first three quarters of fiscal 2025 increased $154 million, or 1%, primarily driven by net new company-operated store growth 5%, or 513 stores, over the past 12 months ($722 million). This growth was partially offset by a net 2% decrease in comparable store sales ($420 million) driven by a 5% decrease in comparable transactions, partially offset by a 3% increase in average ticket, primarily due to annualization of prior year pricing and fewer discounts in the current year. Also contributing were lower product and equipment sales to, and royalty revenues from, our licensees ($112 million).

Operating Margin

North America operating income for the first three quarters of fiscal 2025 decreased 31% to $2.8 billion, compared to $4.1 billion in the first three quarters of fiscal 2024. Operating margin contracted 630 basis points to 13.9%, primarily driven by deleverage (approximately 320 basis points), additional labor (approximately 180 basis points), and inflation (approximately 70 basis points).

International

	Quarter Ended					Three Quarters Ended				
	Jun 29, 2025	Jun 30, 2024	$ Change	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024	$ Change	Jun 29, 2025	Jun 30, 2024
				As a % of International Total Net Revenues					As a % of International Total Net Revenues	
Net revenues:										
Company-operated stores	$ 1,526.8	$ 1,381.0	$ 145.8	75.9 %	75.0 %	$ 4,367.6	$ 4,083.1	$ 284.5	76.0 %	75.0 %
Licensed stores	465.1	447.7	17.4	23.1	24.3	1,303.8	1,301.6	2.2	22.7	23.9
Other	18.8	13.4	5.4	0.9	0.7	77.7	60.9	16.8	1.4	1.1
Total net revenues	**2,010.7**	**1,842.1**	**168.6**	**100.0**	**100.0**	**5,749.1**	**5,445.6**	**303.5**	**100.0**	**100.0**
Product and distribution costs	701.7	637.1	64.6	34.9	34.6	2,008.4	1,923.5	84.9	34.9	35.3
Store operating expenses	792.4	698.0	94.4	39.4	37.9	2,281.4	2,088.5	192.9	39.7	38.4
Other operating expenses	66.2	58.8	7.4	3.3	3.2	181.8	168.8	13.0	3.2	3.1
Depreciation and amortization expenses	91.4	82.7	8.7	4.5	4.5	269.5	251.0	18.5	4.7	4.6
General and administrative expenses	81.9	80.5	1.4	4.1	4.4	259.1	253.9	5.2	4.5	4.7
Restructuring	3.1	—	3.1	0.2	—	19.9	—	19.9	0.3	—
Total operating expenses	1,736.7	1,557.1	179.6	86.4	84.5	5,020.1	4,685.7	334.4	87.3	86.0
Income/(loss) from equity investees	(1.3)	2.5	(3.8)	(0.1)	0.1	(2.1)	2.9	(5.0)	0.0	0.1
Operating income	**$ 272.7**	**$ 287.5**	**$ (14.8)**	**13.6 %**	**15.6 %**	**$ 726.9**	**$ 762.8**	**$ (35.9)**	**12.6 %**	**14.0 %**
Store operating expenses as a % of company-operated stores revenue				51.9 %	50.5 %				52.2 %	51.1 %

For the quarter ended June 29, 2025 compared with the quarter ended June 30, 2024

Revenues

International total net revenues for the third quarter of fiscal 2025 increased $169 million, or 9%, primarily due to net new company-operated store growth of 7%, or 638 stores, over the past 12 months ($63 million), favorable foreign currency translation impacts ($48 million), and higher product and equipment sales to, and royalty revenues from, our licensees ($28 million), primarily due to the opening of 446 net new licensed stores over the past 12 months. Also contributing to the increase in revenues was the incremental net revenue from the conversion of 113 licensed stores to company-operated stores ($27 million) following the acquisition of 23.5 Degrees Topco Limited, a U.K. licensed business partner, during the first quarter of fiscal 2025. International comparable store sales were flat, driven by a 1% increase in comparable transactions, offset by a 1% decrease in average ticket.

Operating Margin

International operating income for the third quarter of fiscal 2025 decreased 5% to $273 million, compared to $288 million in the third quarter of fiscal 2024. Operating margin contracted 200 basis points to 13.6%, primarily due to increased promotional activity (approximately 160 basis points).

For the three quarters ended June 29, 2025 compared with the three quarters ended June 30, 2024

Revenues

International total net revenues for the first three quarters of fiscal 2025 increased $304 million, or 6%, primarily due to net new company-operated store growth of 7%, or 638 stores, over the past 12 months ($205 million), and the incremental net revenue from the conversion of 113 licensed stores to company-operated stores ($67 million) following the acquisition of 23.5 Degrees Topco Limited during the first quarter of fiscal 2025. Also contributing to the increase in revenues were higher product and equipment sales to, and royalty revenues from, our licensees ($49 million), primarily due to the opening of 446 net new licensed stores over the past 12 months. These increases were partially offset by a 1% decrease in comparable store sales ($33 million), driven by a 2% decrease in average ticket, partially offset by a 1% increase in comparable transactions.

Operating Margin

International operating income for the first three quarters of fiscal 2025 decreased 5% to $727 million, compared to $763 million in the first three quarters of fiscal 2024. Operating margin contracted 140 basis points to 12.6%, primarily due to increased promotional activity (approximately 180 basis points).

Channel Development

	Quarter Ended					Three Quarters Ended				
	Jun 29, 2025	Jun 30, 2024	$ Change	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024	$ Change	Jun 29, 2025	Jun 30, 2024
				As a % of Channel Development Total Net Revenues					As a % of Channel Development Total Net Revenues	
Net revenues	$ 483.8	$ 438.3	$ 45.5			$ 1,329.0	$ 1,304.5	$ 24.5		
Product and distribution costs	306.8	257.7	49.1	63.4 %	58.8 %	824.4	789.3	35.1	62.0 %	60.5 %
Other operating expenses	15.1	15.2	(0.1)	3.1	3.5	43.7	43.2	0.5	3.3	3.3
General and administrative expenses	1.7	1.6	0.1	0.4	0.4	4.8	5.7	(0.9)	0.4	0.4
Restructuring	0.2	—	0.2	—	—	1.1	—	1.1	0.1	—
Total operating expenses	323.8	274.5	49.3	66.9	62.6	874.0	838.2	35.8	65.8	64.3
Income from equity investees	58.4	71.4	(13.0)	12.1	16.3	164.8	194.9	(30.1)	12.4	14.9
Operating income	**$ 218.4**	**$ 235.2**	**$ (16.8)**	**45.1 %**	**53.7 %**	**$ 619.8**	**$ 661.2**	**$ (41.4)**	**46.6 %**	**50.7 %**

For the quarter ended June 29, 2025 compared with the quarter ended June 30, 2024

Revenues

Channel Development total net revenues for the third quarter of fiscal 2025 increased $46 million, or 10%, primarily due to an increase in revenue in the Global Coffee Alliance ($45 million).

Operating Margin

Channel Development operating income for the third quarter of fiscal 2025 decreased 7% to $218 million, compared to $235 million in the third quarter of fiscal 2024. Operating margin contracted 860 basis points to 45.1%, primarily driven by a decline in our North American Coffee Partnership joint venture income (approximately 420 basis points), mix shift (approximately 270 basis points), and higher global product costs (approximately 250 basis points).

For the three quarters ended June 29, 2025 compared with the three quarters ended June 30, 2024

Revenues

Channel Development total net revenues for the first three quarters of fiscal 2025 increased $25 million, or 2%, primarily due to an increase in revenue in the Global Coffee Alliance ($27 million).

Operating Margin

Channel Development operating income for the first three quarters of fiscal 2025 decreased 6% to $620 million, compared to $661 million in the first three quarters of fiscal 2024. Operating margin contracted 410 basis points to 46.6%, primarily driven by a decline in our North American Coffee Partnership joint venture income (approximately 250 basis points) and higher global product costs (approximately 180 basis points).

Corporate and Other

	Quarter Ended				Three Quarters Ended			
	Jun 29, 2025	Jun 30, 2024	$ Change	% Change	Jun 29, 2025	Jun 30, 2024	$ Change	% Change
Net revenues:								
Other	$ 34.5	$ 16.8	$ 17.7	105.4 %	$ 65.6	$ 34.6	$ 31.0	89.6 %
Total net revenues	**34.5**	**16.8**	**17.7**	**105.4**	**65.6**	**34.6**	**31.0**	**89.6**
Product and distribution costs	37.4	14.2	23.2	163.4	69.7	33.9	35.8	105.6
Other operating expenses	0.6	0.4	0.2	50.0	0.7	1.1	(0.4)	(36.4)
Depreciation and amortization expenses	32.7	31.1	1.6	5.1	92.9	92.4	0.5	0.5
General and administrative expenses	423.6	409.0	14.6	3.6	1,347.4	1,331.1	16.3	1.2
Restructuring	14.4	—	14.4	nm	91.5	—	91.5	nm
Total operating expenses	508.7	454.7	54.0	11.9	1,602.2	1,458.5	143.7	9.9
Operating loss	**$ (474.2)**	**$ (437.9)**	**$ (36.3)**	**8.3 %**	**$ (1,536.6)**	**$ (1,423.9)**	**$ (112.7)**	**7.9 %**

Corporate and Other primarily consists of our unallocated corporate expenses and sales of cocoa butter to third parties. Unallocated corporate expenses include corporate administrative functions that support the operating segments but are not specifically attributable to or managed by any segment and are not included in the reported financial results of the operating segments.

For the quarter ended June 29, 2025 compared with the quarter ended June 30, 2024

Corporate and Other operating loss increased 8% to $474 million for the third quarter of fiscal 2025 compared to $438 million for the third quarter of fiscal 2024, largely due to costs associated with restructuring our support organization, primarily severance costs, in support of our “Back to Starbucks” strategy.

For the three quarters ended June 29, 2025 compared with the three quarters ended June 30, 2024

Corporate and Other operating loss increased 8% to $1.5 billion for the first three quarters of fiscal 2025 compared to $1.4 billion for the first three quarters of fiscal 2024, largely due to costs associated with restructuring our support organization, primarily severance costs, in support of our “Back to Starbucks” strategy.

Quarterly Store Data

Our store data for the periods presented is as follows:

	Net stores opened/(closed) and transferred during the period					
	Quarter Ended		Three Quarters Ended		Stores open as of	
	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024
North America						
Company-operated stores	122	113	292	312	11,453	10,940
Licensed stores	(15)	20	18	76	7,281	7,258
Total North America	107	133	310	388	18,734	18,198
International						
Company-operated stores(1)	103	244	420	562	10,277	9,526
Licensed stores(1)	98	149	168	489	12,086	11,753
Total International	201	393	588	1,051	22,363	21,279
Total Company	**308**	**526**	**898**	**1,439**	**41,097**	**39,477**

(1) Net stores opened/(closed) and transferred during the period, for the three quarters ended June 29, 2025, includes the conversion of 113 licensed stores to company-operated stores following the acquisition of 23.5 Degrees Topco Limited during the first quarter of fiscal 2025.

Financial Condition, Liquidity, and Capital Resources

Cash and Investment Overview

Our cash and investments were $4.7 billion as of June 29, 2025 and $3.8 billion as of September 29, 2024. We actively manage our cash and investments in order to internally fund operating needs, make scheduled interest and principal payments on our borrowings, fund acquisitions, and return cash to shareholders through common stock cash dividend payments and share repurchases. Our investment portfolio primarily includes highly liquid available-for-sale securities, including corporate debt securities and U.S. government treasury securities, as well as principal-protected structured deposits. As of June 29, 2025, approximately $2.1 billion of cash and short-term investments were held in foreign subsidiaries.

Borrowing Capacity

Revolving Credit Facility

During the third quarter of fiscal 2025, we replaced our $3.0 billion unsecured five-year revolving credit facility (the “2021 credit facility”) with a new $3.0 billion unsecured five-year revolving credit facility (the “2025 credit facility”).

Our 2025 credit facility, of which $150.0 million may be used for issuances of letters of credit, is currently set to mature on June 13, 2030. The 2025 credit facility is available for working capital, capital expenditures, and other general corporate purposes, including acquisitions and share repurchases. We have the option, subject to negotiation and agreement with the related banks, to increase the maximum commitment amount by an additional $1.0 billion.

Borrowings under the 2025 credit facility will bear interest at a fluctuating rate based on the Term Secured Overnight Financing Rate (“Term SOFR”), and, for U.S. dollar-denominated loans under certain circumstances, a Base Rate (as defined in the 2025 credit facility), in each case plus an applicable rate. The applicable rate is based on the Company’s long-term credit ratings assigned by Moody’s and Standard & Poor’s rating agencies. The 2025 credit facility contains alternative interest rate provisions specifying rate calculations to be used at such time Term SOFR ceases to be available as a benchmark due to reference rate reform. The “Base Rate” of interest is the highest of (i) the Federal Funds Rate plus 0.50%, (ii) Bank of America’s prime rate, (iii) Term SOFR plus 1.00%, and (iv) 1.00%. Upon the occurrence of any event of default under the 2025 credit facility, interest on the outstanding amount of the indebtedness under the 2025 credit facility will bear interest at a rate per annum equal to 2% in excess of the interest then borne by such borrowings.

The 2025 credit facility contains provisions requiring us to maintain compliance with certain covenants, including a minimum fixed charge coverage ratio, which measures our ability to cover financing expenses. As of June 29, 2025, we were in compliance with all applicable covenants. No amounts were outstanding under our 2025 credit facility as of June 29, 2025, or our 2021 credit facility as of September 29, 2024.

Commercial Paper

Under our commercial paper program, we may issue unsecured commercial paper notes up to a maximum aggregate amount outstanding at any time of $3.0 billion, with individual maturities that may vary but not exceed 397 days from the date of issue. Amounts outstanding under the commercial paper program are required to be backstopped by available commitments under our 2025 credit facility. The proceeds from borrowings under our commercial paper program may be used for working capital needs, capital expenditures, and other corporate purposes, including, but not limited to, business expansion, payment of cash dividends on our common stock, and share repurchases. We had no borrowings outstanding under our commercial paper program as of June 29, 2025 and September 29, 2024. Our total available contractual borrowing capacity for general corporate purposes was $3.0 billion as of the end of our third quarter of fiscal 2025.

Credit Facilities in Japan

Additionally, we hold the following Japanese yen-denominated credit facilities that are available for working capital needs and capital expenditures within our Japanese market.

- A ¥5.0 billion, or $34.6 million, credit facility is currently set to mature on December 30, 2025. Borrowings under this credit facility are subject to terms defined within the facility and will bear interest at a variable rate based on TIBOR plus an applicable margin of 0.400%.
- A ¥10.0 billion, or $69.2 million, credit facility is currently set to mature on March 27, 2026. Borrowings under this credit facility are subject to terms defined within the facility and will bear interest at a variable rate based on TIBOR plus an applicable margin of 0.300%.

As of June 29, 2025 and September 29, 2024, we had no borrowings outstanding under these credit facilities.

See Note 8, Debt, to the consolidated financial statements included in Item 1 of Part I of this 10-Q for details of the components of our long-term debt.

Our ability to incur new liens and conduct sale and leaseback transactions on certain material properties is subject to compliance with terms of the indentures under which the long-term notes were issued. As of June 29, 2025, we were in compliance with all applicable covenants.

Use of Cash

We expect to use our available cash and investments, including, but not limited to, additional potential future borrowings under the credit facilities, commercial paper program, and the issuance of debt to support and invest in our core businesses, including investing in new ways to serve our customers and supporting our store partners, repaying maturing debts, returning cash to shareholders through common stock cash dividend payments and discretionary share repurchases, and investing in new business opportunities related to our core and developing businesses. Furthermore, we may use our available cash resources to make proportionate capital contributions to our investees. We may also seek strategic acquisitions to leverage existing capabilities and further build our business. Acquisitions may include increasing our ownership interests in our investees. Any decisions to increase such ownership interests will be driven by valuation and fit with our ownership strategy.

We believe that net future cash flows generated from operations and existing cash and investments both domestically and internationally, combined with our ability to leverage our balance sheet through the issuance of debt, will be sufficient to finance capital requirements for our core businesses as well as shareholder distributions for at least the next 12 months. We are currently not aware of any trends or demands, commitments, events, or uncertainties that will result in, or that are reasonably likely to result in, our liquidity increasing or decreasing in any material way that will impact our capital needs during or beyond the next 12 months. We have borrowed funds and continue to believe we have the ability to do so at reasonable interest rates; however, additional borrowings would result in increased interest expense in the future. In this regard, we may incur additional debt, within targeted levels, as part of our plans to fund our capital programs, including cash returns to shareholders through future dividends and discretionary share repurchases, refinancing debt maturities, as well as investing in new business opportunities. If necessary, we may pursue additional sources of financing, including both short-term and long-term borrowings and debt issuances.

We regularly review our cash positions and our determination of partial indefinite reinvestment of foreign earnings. In the event we determine that all or another portion of such foreign earnings are no longer indefinitely reinvested, we may be subject to additional foreign withholding taxes, which could be material. Any foreign earnings that are not indefinitely reinvested may be repatriated at management’s discretion. During the third quarter of fiscal 2025, we revised our indefinite reinvestment assertions from prior years' cumulative earnings from certain foreign subsidiaries; as a result, and in anticipation of repatriating earnings from those subsidiaries, we accrued approximately $70 million of discrete tax expense related to foreign withholding taxes during the third quarter of fiscal year 2025. We continue to be indefinitely reinvested in the remainder of our foreign earnings, for which no tax accrual has been recorded.

On July 4, 2025, the President of the United States signed and enacted tax legislation into law through a reconciliation bill titled “An Act to provide for reconciliation pursuant to title II of H. Con. Res. 14,” commonly referred to as the “One Big Beautiful Bill Act.” This legislation was enacted during the fourth quarter of fiscal 2025; therefore, the fiscal 2025 accounting impacts from this tax law change will be included in our fourth quarter of fiscal 2025 results. We are evaluating the impacts of this tax law change; however, it is not expected to result in a material impact to our consolidated financial statements.

During the third quarter of fiscal 2025, our Board of Directors approved a quarterly cash dividend to shareholders of $0.61 per share to be paid on August 29, 2025 to shareholders of record as of the close of business on August 15, 2025.

During the three quarters ended June 29, 2025, we made no common stock share repurchases. As of June 29, 2025, 29.8 million shares remained available for repurchase under current authorizations.

Other than normal operating expenses, cash requirements for the remainder of fiscal 2025 are expected to consist primarily of capital expenditures for investments in our new and existing stores, our supply chain, and corporate facilities. Total capital expenditures for fiscal 2025 are expected to be moderately lower than fiscal 2024.

In the MD&A included in the 10-K, we disclosed that we had $35.6 billion of current and long-term material cash requirements as of September 29, 2024. There have been no material changes to our material cash requirements during the period covered by this 10-Q outside of the normal course of our business.

Cash Flows

Net cash provided by operating activities was $3.4 billion for the first three quarters of fiscal 2025, compared to $4.6 billion for the same period in fiscal 2024. The change was primarily due to a decrease in net earnings of $1.1 billion and a net increase of $424 million in inventories, which was primarily driven by green and roasted coffee, largely due to elevated coffee prices, partially offset by a net increase of $229 million in accounts payable, primarily due to payment timing.

Net cash used in investing activities totaled $2.1 billion for the first three quarters of fiscal 2025, compared to $1.8 billion for the same period in fiscal 2024. The change was primarily due to a net decrease of $207 million in cash provided by investment activity, primarily structured deposit investments, and the acquisition of 23.5 Degrees Topco Limited.

Net cash used in financing activities for the first three quarters of fiscal 2025 totaled $365 million, compared to $3.1 billion for the same period in fiscal 2024. The change was primarily due to no current year repayments of long-term debt and no current year share repurchases of our common stock compared to the prior year.

Commodity Prices, Availability and General Risk Conditions

Commodity price risk represents our primary market risk, generated by our purchases of green coffee and dairy products, among other items. We purchase, roast, and sell high-quality *arabica* coffee and related products, and risk arises from the price volatility of green coffee. In addition to coffee, we also purchase significant amounts of dairy products to support the needs of our company-operated stores. The price and availability of these commodities, including recent volatility in green coffee prices, directly impact our results of operations, and we expect commodity prices, particularly coffee, to continue to impact future results of operations. For additional details, see Product Supply in Part 1, Item 1 of the 10-K, as well as Risk Factors in Part I, Item 1A of the 10-K.

Seasonality and Quarterly Results

Our business is subject to moderate seasonal fluctuations, of which our fiscal second quarter typically experiences lower revenues and operating income. Additionally, as our stored value cards ("Starbucks Cards") are issued to, and loaded by, customers during the holiday season, we tend to have higher cash flows from operations during the first quarter of the fiscal year. However, since revenues from Starbucks Cards are recognized upon redemption and not when cash is loaded onto the Starbucks Cards, the impact of seasonal fluctuations on the consolidated statements of earnings is much less pronounced. As a result of moderate seasonal fluctuations, results for any quarter are not necessarily indicative of the results that may be achieved for the full fiscal year.

Critical Accounting Estimates

The preparation of financial statements and related disclosures in conformity with U.S. generally accepted accounting principles and the Company's discussion and analysis of its financial condition and operating results require the Company's management to make judgments, assumptions, and estimates that affect the amounts reported. Note 1, Summary of Significant Accounting Policies and Estimates, to the consolidated financial statements included in Item 1 of Part I of this 10-Q and in the Notes to Consolidated Financial Statements in Part II, Item 8 of the 10-K describe the significant accounting policies and methods used in the preparation of the Company's consolidated financial statements. There have been no material changes to the Company's critical accounting estimates since the 10-K.

RECENT ACCOUNTING PRONOUNCEMENTS

See Note 1, Summary of Significant Accounting Policies and Estimates, to the consolidated financial statements included in Item 1 of Part I of this 10-Q, for a detailed description of recent accounting pronouncements.

Item 3. *Quantitative and Qualitative Disclosures About Market Risk*

There has been no material change in the commodity price risk, foreign currency exchange risk, equity security price risk, or interest rate risk discussed in Item 7A of the 10-K.

Item 4. *Controls and Procedures*

We maintain disclosure controls and procedures that are designed to ensure that material information required to be disclosed in our periodic reports filed or submitted under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms. Our disclosure controls and procedures are also designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer as appropriate, to allow timely decisions regarding required disclosure.

During the third quarter of fiscal 2025, we carried out an evaluation, under the supervision and with the participation of our management, including our chief executive officer and our chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based upon that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective, as of the end of the period covered by this report (June 29, 2025).

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during our most recently completed fiscal quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. *Legal Proceedings*

See Note 14, Commitments and Contingencies, to the consolidated financial statements included in Item 1 of Part I of this 10-Q for information regarding certain legal proceedings in which we are involved.

Item 1A. *Risk Factors*

In addition to the other information set forth in this 10-Q, you should carefully consider the risks and uncertainties discussed in Part I, Item 1A. Risk Factors in our 10-K. There have been no material changes to the risk factors disclosed in our 10-K.

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds*

Shares under our ongoing share repurchase program may be repurchased in open market transactions, including pursuant to a trading plan adopted in accordance with Rule 10b5-1 of the Exchange Act, or through privately negotiated transactions. The timing, manner, price, and amount of repurchases will be determined at our discretion and the share repurchase program may be suspended, terminated, or modified at any time for any reason. During the third fiscal quarter ended June 29, 2025, there was no share repurchase activity.

Item 3. *Defaults upon Senior Securities*

None.

Item 4. *Mine Safety Disclosures*

Not applicable.

Item 5. *Other Information*

Insider Adoption or Termination of Trading Arrangements:

During the fiscal quarter ended June 29, 2025, none of our directors or officers informed us of the adoption or termination of a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as those terms are defined in Regulation S-K, Item 408.

Item 6. *Exhibits*

Exhibit No.	Exhibit Description	Incorporated by Reference: Form	File No.	Date of Filing	Exhibit Number	Filed Herewith
3.1	Restated Articles of Incorporation of Starbucks Corporation	10-Q	000-20322	4/28/2015	3.1	
3.2	Amended and Restated Bylaws of Starbucks Corporation (As amended and restated through June 25, 2025)	8-K	000-20322	6/30/2025	3.1	
4.1	Eleventh Supplemental Indenture, dated as of May 8, 2025, by and between Starbucks Corporation and U.S. Bank Trust Company, National Association, as trustee and as successor in interest to U.S. Bank National Association	8-K	000-20322	5/8/2025	4.2	
4.2	Form of 4.500% Senior Notes due 2028 (included as Exhibit A to Exhibit 4.1)	8-K	000-20322	5/8/2025	4.3	
4.3	Form of 4.800% Senior Notes due 2030 (included as Exhibit B to Exhibit 4.1)	8-K	000-20322	5/8/2025	4.4	
4.4	Form of 5.400% Senior Notes due 2035 (included as Exhibit C to Exhibit 4.1)	8-K	000-20322	5/8/2025	4.5	
10.1	Credit Agreement, dated June 13, 2025, among Starbucks Corporation, Bank of America, N.A., in its capacity as Administrative Agent, Swing Line Lender and L/C Issuer, Wells Fargo Bank, N.A., Citibank, N.A., Morgan Stanley Bank, N.A. and U.S. Bank National Association, as L/C Issuers, and the other Lenders from time to time a party thereto.	8-K	000-20322	6/16/2025	10.1	
31.1	Certification of Principal Executive Officer Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	—	—	—	—	X
31.2	Certification of Principal Financial Officer Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	—	—	—	—	X
32*	Certifications of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	—	—	—	—	—
101	The following financial statements from the Company’s 10-Q for the fiscal quarter ended June 29, 2025, formatted in iXBRL: (i) Consolidated Statements of Earnings, (ii) Consolidated Statements of Comprehensive Income, (iii) Consolidated Balance Sheets, (iv) Consolidated Statements of Cash Flows, (v) Consolidated Statements of Equity, and (vi) Notes to Consolidated Financial Statements	—	—	—	—	X
104	Cover Page Interactive Data File (formatted in iXBRL and contained in Exhibit 101)	—	—	—	—	X

* Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

July 29, 2025

STARBUCKS CORPORATION

By: /s/ Cathy R. Smith

Cathy R. Smith

executive vice president, chief financial officer

Signing on behalf of the registrant and as principal financial officer

Exhibit 31.1

CERTIFICATION PURSUANT TO RULE 13a-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Brian R. Niccol, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the fiscal quarter ended June 29, 2025, of Starbucks Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 29, 2025

/s/ Brian R. Niccol

Brian R. Niccol
chairman and chief executive officer

Exhibit 31.2

CERTIFICATION PURSUANT TO RULE 13a-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Cathy R. Smith, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the fiscal quarter ended June 29, 2025, of Starbucks Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 29, 2025

/s/ Cathy R. Smith

Cathy R. Smith
executive vice president, chief financial officer

Exhibit 32

CERTIFICATIONS PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Starbucks Corporation ("Starbucks") on Form 10-Q for the fiscal quarter ended June 29, 2025, as filed with the Securities and Exchange Commission on July 29, 2025 (the "Report"), Brian R. Niccol, chairman and chief executive officer of Starbucks, and Cathy R. Smith, executive vice president, chief financial officer of Starbucks, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to their knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Starbucks.

July 29, 2025

/s/ Brian R. Niccol
Brian R. Niccol
chairman and chief executive officer

July 29, 2025

/s/ Cathy R. Smith
Cathy R. Smith
executive vice president, chief financial officer