Portillo's, Inc. Class Action Lawsuit

Portillo's Class Action Lawsuit Allegations

The Portillo's class action lawsuit asserts securities fraud claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 on behalf of investors in Portillo's stock. The class action is pending in the U.S. District Court for the Northern District of Illinois. It is captioned *Wassel v. Portillo's, Inc. et al.*, No. 26-cv-14032.

If you lost money on your Portillo's investment, you are encouraged to submit your information using the form on this page. You may also email adam@bfalaw.com or call 212.789.3619.

Why is Portillo's Being Sued for Securities Fraud?

Portillo's has been sued for securities fraud following significant stock drops resulting from alleged violations of the federal securities laws. The declines in Portillo's stock price caused significant losses to investors.

Portillo's is a fast-casual restaurant chain that specializes in Chicago-style food, such as Italian beef sandwiches and Chicago-style hot dogs and sausages.

According to the complaint, Portillo's assured the market that it had developed a disciplined and repeatable playbook for opening new stores, and that increased density and scale would inure to Portillo's benefit. Portillo's also discussed the apparent success of new restaurants opening, particularly in Texas.

As alleged, Portillo's was not disciplined about new store openings and its expansion plans had gone poorly, especially in Texas. Portillo's grew too rapidly, cannibalizing its own stores, and its brand remained largely unknown outside Illinois.

Why did Portillo's Stock Drop?

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On August 5, 2025, Portillo's released disappointing Q2 2025 financial results. Portillo's cut 2025 revenue growth projections approximately in half and announced that it now expected adjusted EBITDA growth to be flat to low single digits from the previously guided high single digits.

On this news, Portillo's stock price fell $2.21 per share, or 23.2%, from a closing price of $9.49 per share on August 4, 2025, to $7.28 per share on August 5, 2025.

Then, on May 5, 2026, Portillo's released disappointing Q1 2026 financial results. Portillo's announced a same-restaurant sales decrease of 0.1%, a decrease in operating income to $4.5 million from $10.4 million, a net loss of $0.5 million, and a $2.8 million decrease in adjusted EBITDA. What's more, in contrast to its previous strategy, Portillo's announced it would only open three new restaurants for the remainder of the fiscal year.

On this news, Portillo's stock price fell $1.23 per share, or 21.5%, over the course of two trading days, from a closing price of $5.72 per share on May 4, 2026, to $4.49 per share on May 6, 2026.

Portillo's ($PTLO) Stock Chart



Image Caption: Nasdaq online chart showing the Portillo's (PTLO) stock drops following the August 2025 and May 2026 disclosures.

What is the Portillo's Lead Plaintiff Deadline?

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You may ask the Court no later than January 11, 2027, to appoint you as Lead Plaintiff through counsel of your choice.

To be a member of the Class, you need not take any action at this time. The ability to share in any potential future recovery is not dependent on serving as Lead Plaintiff.

How Do I Submit My Information?

If you lost money when Portillo's securities dropped in price, you are encouraged to submit your information using the form on this page to speak with an attorney about your rights.

You can also contact:

Adam McCall
amccall@bfalaw.com
212.789.3619

All representation is on a contingency fee basis; there is no cost to you. Shareholders are not responsible for any court costs or expenses of any class action lawsuit. The firm will seek court approval for any potential fees and expenses.

Why Bleichmar Fonti & Auld LLP?

BFA is a leading international law firm representing plaintiffs in securities class actions and shareholder litigation. It has been named a top plaintiff law firm by *Chambers USA*, *The Legal 500*, and *ISS SCAS*.

BFA attorneys have been named "Elite Trial Lawyers" by the *National Law Journal*, "Litigation Stars" by *Benchmark Litigation*, among the top "500 Leading Plaintiff Financial Lawyers" by *Lawdragon*, "Titans of the Plaintiffs' Bar" by *Law360*, and "Super Lawyers" by *Thomson Reuters*.

Most recently, *The Legal 500* awarded BFA the most client satisfaction accolades of any plaintiff's securities litigation law firm, with clients noting: "[t]here is no better service provider in the practice area," "[t]he interest of the client is always front

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and center," and "[t]here isn't a better firm in this space." One testimonial described the firm as "nimble and entrepreneurial," with a "relentless focus on adding value for clients."

BFA's notable successes include a recovery of over $900 million in value from Tesla, Inc.'s Board of Directors, as well as $420 million from Teva Pharmaceutical Ind. Ltd.

Attorney advertising. Past results do not guarantee future outcomes.