

HIBBETT SPORTS INC
Form 10-Q
December 07, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q
(Mark One)

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

For the quarterly period ended October 29, 2016

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: 000-20969

HIBBETT SPORTS, INC.
(Exact name of registrant as specified in its charter)

DELAWARE 20-8159608
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

2700 Milan Court, Birmingham, Alabama 35211
(Address of principal executive offices, including zip code)

205-942-4292
(Registrant's telephone number, including area code)

NONE
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

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 of common stock, par value \$.01 per share, outstanding as of December 2, 2016, were 21,962,107 shares.

HIBBETT SPORTS, INC.

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PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements.

HIBBETT SPORTS, INC. AND SUBSIDIARIES

Unaudited Condensed Consolidated Balance Sheets

(in thousands, except share and per share information)

	October 29, 2016	January 30, 2016
ASSETS		
Current Assets:		
Cash and cash equivalents	\$41,195	\$32,274
Inventories, net	292,461	283,099
Other current assets	16,557	14,995
Total current assets	350,213	330,368
Property and equipment	241,881	231,456
Less accumulated depreciation and amortization	135,280	130,067
Property and equipment, net	106,601	101,389
Other assets, net	10,087	10,615
Total Assets	\$466,901	\$442,372
LIABILITIES AND STOCKHOLDERS' INVESTMENT		
Current Liabilities:		
Accounts payable	\$85,710	\$88,456
Accrued payroll expenses	10,487	7,702
Deferred rent	4,467	3,972
Short-term capital lease obligations	545	478
Other accrued expenses	5,923	4,582
Total current liabilities	107,132	105,190
Deferred rent	20,716	19,119
Other liabilities, net	6,880	7,217
Total liabilities	134,728	131,526
Stockholders' Investment:		
Preferred stock, \$.01 par value, 1,000,000 shares authorized, no shares issued	-	-
Common stock, \$.01 par value, 80,000,000 shares authorized, 38,724,989 and 38,628,385 shares issued at October 29, 2016 and January 30, 2016, respectively	387	386
Paid-in capital	173,483	169,543
Retained earnings	685,603	636,583
Treasury stock, at cost; 16,743,282 and 15,831,926 shares repurchased at October 29, 2016 and January 30, 2016, respectively	(527,300)	(495,666)
Total stockholders' investment	332,173	310,846
Total Liabilities and Stockholders' Investment	\$466,901	\$442,372

See notes to unaudited condensed consolidated financial statements.

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HIBBETT SPORTS, INC. AND SUBSIDIARIES

Unaudited Condensed Consolidated Statements of Operations

(in thousands, except per share information)

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	October 29, 2016	October 31, 2015	October 29, 2016	October 31, 2015
Net sales	\$237,006	\$228,301	\$726,031	\$697,385
Cost of goods sold, including wholesale, logistics and store occupancy costs	153,181	145,949	468,947	450,140
Gross profit	83,825	82,352	257,084	247,245
Store operating, selling and administrative expenses	55,853	48,255	165,415	150,206
Depreciation and amortization	4,799	4,238	14,036	12,656
Operating income	23,173	29,859	77,633	84,383
Interest expense, net	60	67	187	201
Income before provision for income taxes	23,113	29,792	77,446	84,182
Provision for income taxes	8,509	11,115	28,426	31,065
Net income	\$14,604	\$18,677	\$49,020	\$53,117
Earnings per share:				
Basic	\$0.66	\$0.79	\$2.19	\$2.18
Diluted				