

FIVE BELOW, INC
Form 10-Q
December 05, 2014
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 November 1, 2014.

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: 001-35600

Five Below, Inc.
(Exact name of Registrant as Specified in its Charter)

Pennsylvania
(State or Other Jurisdiction of
Incorporation or Organization)

75-3000378
(I.R.S. Employer
Identification No.)

1818 Market Street, Suite 2000
Philadelphia, PA
(Address of Principal Executive Offices)
(215) 546-7909
(Registrant’s Telephone Number, Including Area Code)

19103
(Zip Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of the registrant's common stock, \$0.01 par value, outstanding as of December 4, 2014 was 54,375,130

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PART I - FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

FIVE BELOW, INC.

Consolidated Balance Sheets

(Unaudited)

(in thousands, except share and per share data)

	November 1, 2014	February 1, 2014	November 2, 2013
Assets			
Current assets:			
Cash and cash equivalents	\$5,291	\$50,184	\$5,550
Inventories	167,174	89,377	115,484
Prepaid income taxes	6,211	1,497	5,675
Deferred income taxes	5,199	4,586	2,060
Prepaid expenses and other current assets	20,421	15,255	17,286
Total current assets	204,296	160,899	146,055
Property and equipment, net of accumulated depreciation and amortization of \$55,423, \$43,997, and \$41,129, respectively	84,206	70,381	69,564
Deferred income taxes	1,618	232	—
Other assets	278	542	596
	\$290,398	\$232,054	\$216,215
Liabilities and Shareholders' Equity			
Current liabilities:			
Line of credit	\$—	\$—	\$—
Current portion of note payable	—	19,500	—
Accounts payable	82,857	34,013	52,422
Income taxes payable	537	6,007	37
Accrued salaries and wages	5,130	2,672	4,125
Other accrued expenses	22,664	17,550	15,587
Total current liabilities	111,188	79,742	72,171
Note payable	—	—	19,500
Deferred rent and other	40,357	35,439	34,396
Deferred income taxes	—	—	1,063
Total liabilities	151,545	115,181	127,130
Commitments and contingencies (note 4)			
Shareholders' equity:			
Common stock, \$0.01 par value. Authorized 120,000,000 shares; issued and outstanding 54,371,530, 54,190,724 and 54,161,553 shares, respectively.	544	542	542
Additional paid-in capital	291,889	284,622	281,660
Accumulated deficit	(153,580)	(168,291)	(193,117)
Total shareholders' equity	138,853	116,873	89,085
	\$290,398	\$232,054	\$216,215

See accompanying notes to consolidated financial statements.

FIVE BELOW, INC.

Consolidated Statements of Operations

(Unaudited)

(in thousands, except share and per share data)

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	November 1, 2014	November 2, 2013	November 1, 2014	November 2, 2013
Net sales	\$137,979	\$110,747	\$416,462	\$323,438
Cost of goods sold	96,356	76,513	284,999	219,591
Gross profit	41,623	34,234	131,463	103,847
Selling, general and administrative expenses	36,143	31,213	107,386	90,451
Operating income	5,480	3,021	24,077	13,396
Interest expense, net	6	321	88	