

CHICOS FAS INC
Form 10-Q
November 25, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the Quarter Ended:
October 31, 2015

Commission File Number:
001-16435

Chico's FAS, Inc.
(Exact name of registrant as specified in charter)

Florida
(State of Incorporation)

59-2389435
(I.R.S. Employer
Identification No.)

11215 Metro Parkway, Fort Myers, Florida 33966
(Address of principal executive offices)
239-277-6200
(Registrant's telephone number, including area 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

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.

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At November 18, 2015, the registrant had 139,401,313 shares of Common Stock, \$0.01 par value per share, outstanding.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CHICO'S FAS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In thousands, except per share amounts)

	Thirty-Nine Weeks Ended				Thirteen Weeks Ended				
	October 31, 2015		November 1, 2014		October 31, 2015		November 1, 2014		
	Amount	% of Sales	Amount	% of Sales	Amount	% of Sales	Amount	% of Sales	
Net sales	\$2,014,910	100.0 %	\$2,018,304	100.0 %	\$641,219	100.0 %	\$665,569	100.0 %	
Cost of goods sold	902,690	44.8 %	920,148	45.6 %	290,737	45.3 %	301,776	45.3 %	
Gross margin	1,112,220	55.2 %	1,098,156	54.4 %	350,482	54.7 %	363,793	54.7 %	
Selling, general and administrative expenses	964,229	47.9 %	945,360	46.8 %	327,575	51.1 %	321,574	48.3 %	
Goodwill and intangible impairment charges	112,455	5.6 %	—	0.0 %	45,514	7.1 %	—	0.0 %	
Restructuring and strategic charges	34,178	1.6 %	—	0.0 %	3,137	0.5 %	—	0.0 %	
Income (loss) from operations	1,358	0.1 %	152,796	7.6 %	(25,744)	(4.0)%	42,219	6.4 %	
Interest (expense) income, net	(1,421)	(0.1)%	75	0.0 %	(466)	(0.1)%	44	0.0 %	
Income (loss) before income taxes	(63)	0.0 %	152,871	7.6 %	(26,210)	(4.1)%	42,263	6.4 %	
Income tax (benefit) provision	(23,100)	(1.1)%	56,400	2.8 %	(14,600)	(2.3)%	15,800	2.4 %	
Net income (loss)	\$23,037	1.1 %	\$96,471	4.8 %	\$(11,610)	(1.8)%	\$26,463	4.0 %	
Per share data:									
Net income (loss) per common share—basic	\$0.16		\$0.63		\$(0.09)		\$0.17		
Net income (loss) per common and common equivalent share—diluted	\$0.16		\$0.63						