

CHICOS FAS INC  
Form 10-Q  
September 01, 2016  
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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: Commission File Number:  
July 30, 2016 001-16435

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

Florida 59-2389435  
(State of Incorporation) (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.

At August 15, 2016, the registrant had 132,033,005 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 INCOME

(Unaudited)

(In thousands, except per share amounts)

	Thirteen Weeks Ended				Twenty-Six Weeks Ended			
	July 30, 2016		August 1, 2015 (as adjusted)		July 30, 2016		August 1, 2015 (as adjusted)	
	Amount	% of Sales	Amount	% of Sales	Amount	% of Sales	Amount	% of Sales
Net sales	\$635,732	100.0	\$685,826	100.0	\$1,278,709	100.0	\$1,383,592	100.0
Cost of goods sold	394,922	62.1	421,125	61.4	775,564	60.7	823,273	59.5
Gross margin	240,810	37.9	264,701	38.6	503,145	39.3	560,319	40.5
Selling, general and administrative expenses	186,626	29.4	207,170	30.2	394,767	30.9	435,235	31.5
Goodwill and intangible impairment charges	—	0.0	66,941	9.8	—	0.0	66,941	4.8
Restructuring and strategic charges	16,556	2.6	16,166	2.3	20,207	1.5	31,041	2.2
Income (loss) from operations	37,628	5.9	(25,576 )	(3.7 )	88,171	6.9	27,102	2.0
Interest expense, net	(489 )	(0.1 )	(502 )	(0.1 )	(948 )	(0.1 )	(955 )	(0.1 )
Income (loss) before income taxes	37,139	5.8	(26,078 )	(3.8 )	87,223	6.8	26,147	1.9
Income tax provision (benefit)	14,100	2.2	(28,200 )	(4.1 )	33,100	2.6	(8,500 )	(0.6 )
Net income	\$23,039	3.6	\$2,122	0.3	\$54,123	4.2	\$34,647	2.5
Per share data:								
Net income per common share-basic	\$0.17		\$0.02		\$0.41		\$0.24	
Net income per common and common equivalent share—diluted	\$0.17							