

BOOKS A MILLION INC
Form 10-Q
June 12, 2014
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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: May 3, 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 0-20664

BOOKS-A-MILLION, INC.
(Exact name of registrant as specified in its charter)

DELAWARE
(State or Other Jurisdiction of
Incorporation or Organization)

63-0798460
(IRS Employer
Identification No.)

402 Industrial Lane, Birmingham, Alabama
(Address of principal executive offices)
(205) 942-3737
(Registrant's Telephone number, including area code)

35211
(Zip Code)

N/A
(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 (§ 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

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PART I. FINANCIAL INFORMATION

Item 1.	Financial Statements	
BOOKS-A-MILLION, INC. AND SUBSIDIARIES		
CONDENSED CONSOLIDATED BALANCE SHEETS		
(In thousands, except per share data and share amounts)		
(Unaudited)		
	May 3, 2014	February 1, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$5,936	\$9,926
Accounts receivable	2,313	3,656
Related party receivables (Note 4)	94	87
Inventories (Note 6)	193,335	199,584
Prepayments and other assets	7,171	6,292
Total current assets	208,849	219,545
Property and equipment:		
Gross property and equipment	268,952	268,529
Less accumulated depreciation and amortization	(192,119)	(191,133)
Property and equipment, net	76,833	77,396
Deferred income taxes (Note 10)	1,037	—
Equity method investments (Note 13)	2,304	2,139
Other assets	3,869	3,652
Total assets	\$292,892	\$302,732
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$59,753	\$84,411
Related party accounts payable (Note 4)	6,066	2,131
Accrued expenses	31,891	39,570
Deferred income taxes (Note 10)	20,250	18,807
Short-term borrowings and current portion of long-term debt (Note 9)	43,128	19,107
Total current liabilities	161,088	164,026
Long-term debt (Note 9)	16,154	16,300
Related party note payable (Note 4 and Note 9)	592	600
Deferred rent	6,894	7,444
Deferred income taxes (Note 10)	—	406
Liability for uncertain tax positions	418	412
Long-term capital lease obligation	1,541	1,554
Total non-current liabilities	25,599	26,716
Stockholders' equity:		
Preferred stock, \$0.01 par value, 1,000,000 shares authorized, no shares outstanding	—	—
Common stock, \$0.01 par value, 30,000,000 shares authorized, 22,701,582 and 22,348,072 shares issued and 15,692,517 and 15,339,007 shares outstanding at May 3, 2014 and February 1, 2014, respectively	227	223
Additional paid-in capital	96,295	96,072
Treasury stock, at cost, 7,009,065 and 7,009,065 shares repurchased at May 3, 2014 and February 1, 2014, respectively	(52,840)	(52,840)
Retained earnings	59,720	65,360

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Accumulated other comprehensive income	156	104
Total Books-A-Million stockholders' equity	103,558	108,919
Noncontrolling interest	2,647	3,071
Total equity	106,205	111,990
Total liabilities and stockholders' equity	\$292,892	\$302,732

See notes to condensed consolidated financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data)

(Unaudited)

	Thirteen Weeks Ended	
	May 3, 2014	May 4, 2013
Revenues		
Net sales	\$ 103,143	\$ 103,227
Other revenue	640	366
Total revenues	103,783	103,593
Cost of products sold, including warehouse distribution and store occupancy costs	75,384	75,138
Gross profit	28,399	28,455
Operating, selling and administrative expenses	29,477	29,261
Depreciation and amortization	4,465	