

STAGE STORES INC
Form 10-Q
December 09, 2010

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 30, 2010

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 1-14035

Stage Stores, Inc.

(Exact name of registrant as specified in its charter)

NEVADA
(State or other jurisdiction of incorporation or organization)

91-1826900
(I.R.S. Employer Identification No.)

10201 Main Street, Houston, Texas
(Address of principal executive offices)

77025
(Zip Code)

(800) 579-2302

(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

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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 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

As of December 1, 2010, there were 36,619,008 shares of the registrant's common stock outstanding.

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References to a particular year are to Stage Stores Inc.'s fiscal year, which is the 52- or 53-week period ending on the Saturday closest to January 31st of the following calendar year. For example, a reference to "2009" is a reference to the fiscal year ended January 30, 2010 and a reference to "2010" is a reference to the fiscal year ending January 29, 2011. 2009 and 2010 are 52-week years.

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Stage Stores, Inc.
Condensed Consolidated Balance Sheets
(in thousands, except par value)

(Unaudited)

	October 30, 2010	January 30, 2010
ASSETS		
Cash and cash equivalents	\$ 45,476	\$ 93,714
Merchandise inventories, net	420,078	306,360
Prepaid expenses and other current assets	29,647	27,095
Total current assets	495,201	427,169
Property, equipment and leasehold improvements, net	326,056	342,001
Intangible asset	14,910	14,910
Other non-current assets, net	17,965	16,351
Total assets	\$ 854,132	\$ 800,431
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	\$ 184,171	\$ 100,602
Current portion of debt obligations	13,295	12,726
Accrued expenses and other current liabilities	67,523	69,688
Total current liabilities	264,989	183,016
Long-term debt obligations	28,449	38,492
Other long-term liabilities	101,885	102,877
Total liabilities	395,323	324,385
Commitments and contingencies		
Common stock, par value \$0.01, 100,000 shares authorized,		
56,832 and 56,080 shares issued, respectively	568	561
Additional paid-in capital	512,756	501,800
Less treasury stock - at cost, 20,230 and 18,071 shares, respectively	(315,453)	(288,079)
Accumulated other comprehensive loss	(5,698)	(5,897)
Retained earnings	266,636	267,661
Total stockholders' equity	458,809	476,046

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Total liabilities and stockholders' equity	\$	854,132	\$	800,431
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The accompanying notes are an integral part of these financial statements.

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Stage Stores, Inc.
 Condensed Consolidated Statements of Operations
 (in thousands, except per share data)
 (Unaudited)

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	October 30, 2010	October 31, 2009	October 30, 2010	October 31, 2009
Net sales	\$331,850	\$324,944	\$1,016,911	\$1,000,247
Cost of sales and related buying, occupancy and distribution expenses	255,260	251,396	746,276	742,019
Gross profit	76,590	73,548	270,635	258,228
Selling, general and administrative expenses	86,827	83,222	257,031	250,682
Store opening costs	1,189	1,174	3,024	2,825
Interest expense, net of income of \$21 and \$1 for the thirteen weeks and \$71 and \$77 for the thirty-nine weeks, respectively	937	1,079		