
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): May 2, 2017

BIG 5 SPORTING GOODS CORPORATION

(Exact name of registrant as specified in charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-49850
(Commission
File Number)

95-4388794
(IRS Employer
Identification No.)

**2525 East El Segundo Boulevard,
El Segundo, California**
(Address of principal executive offices)

90245
(Zip Code)

Registrant's telephone number, including area code: (310) 536-0611

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On May 2, 2017, Big 5 Sporting Goods Corporation issued a press release in which, among other things, it reported financial results for its fiscal 2017 first quarter. The press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1, is furnished pursuant to Item 2.02, “Results of Operations and Financial Condition” and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to liability under that Section, except as specifically incorporated by reference into a filing under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release, dated May 2, 2017, issued by Big 5 Sporting Goods Corporation.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BIG 5 SPORTING GOODS CORPORATION
(Registrant)

Date: May 2, 2017

/s/ Barry D. Emerson

Barry D. Emerson
Senior Vice President, Chief Financial
Officer and Treasurer

Exhibit Index

<u>Exhibit No.</u>	<u>Exhibit Description</u>
99.1	Press release, dated May 2, 2017, issued by Big 5 Sporting Goods Corporation.



Contact:
Big 5 Sporting Goods Corporation
Barry Emerson
Sr. Vice President and Chief Financial Officer
(310) 536-0611

ICR, Inc.
John Mills
Partner
(646) 277-1254

BIG 5 SPORTING GOODS CORPORATION ANNOUNCES FISCAL 2017 FIRST QUARTER RESULTS

- **Reports Same Store Sales Increase of 7.9%**
- **Achieves First Quarter Earnings per Diluted Share of \$0.24**
- **Declares Quarterly Cash Dividend of \$0.15 per Share**

EL SEGUNDO, Calif., May 2, 2017 — Big 5 Sporting Goods Corporation (NASDAQ: BGFV) (the “Company”), a leading sporting goods retailer, today reported financial results for the fiscal 2017 first quarter ended April 2, 2017.

For the fiscal 2017 first quarter, net sales were \$252.6 million compared to net sales of \$234.5 million for the first quarter of fiscal 2016. Same store sales increased 7.9% for the first quarter of fiscal 2017, reflecting continued market share gains resulting from the closure of certain major competitors last year along with more favorable weather conditions than the prior year period. Sales comparisons also benefited from the calendar shift of the Easter holiday, during which the Company’s stores are closed, from the first quarter in fiscal 2016 to the second quarter in fiscal 2017.

Gross profit for the fiscal 2017 first quarter was \$83.6 million, compared to \$71.0 million in the first quarter of the prior year. The Company’s gross profit margin was 33.1% in the fiscal 2017 first quarter versus 30.3% in the first quarter of the prior year, reflecting an increase in merchandise margins of 228 basis points and a decrease in store occupancy and distribution costs as a percentage of net sales.

Selling and administrative expense as a percentage of net sales was 29.5% in the fiscal 2017 first quarter versus 30.4% in the first quarter of the prior year. Overall selling and administrative expense for the quarter increased by \$3.4 million from the prior year primarily due to higher employee labor and benefit expense.

Net income for the first quarter of fiscal 2017 was \$5.3 million, or \$0.24 per diluted share, compared to a net loss for the first quarter of fiscal 2016 of \$1.1 million, or \$(0.05) per basic share. Results for the first quarter of fiscal 2016 included a charge of \$0.03 per basic share for the write-off of deferred tax assets related to share-based compensation.

“We are pleased to begin fiscal 2017 with an extraordinarily strong performance,” said Steven G. Miller, the Company’s Chairman, President and Chief Executive Officer. “We realized improvements in both customer transactions and average sale and produced same store sales increases for each of our major merchandise categories of apparel, footwear and hardgoods, while substantially improving merchandise margins for the period. Our team did an outstanding job of extending our market share gains following the store closures by our competitors that occurred last year, as well as capitalizing on the favorable weather conditions that we experienced in a majority of our markets during the first quarter. These efforts led to better than anticipated sales during March and allowed us to produce results meaningfully ahead of the guidance that we issued in late February.”

Mr. Miller continued, “We are off to a strong start for the second quarter and believe that we are well positioned for the beginning of the summer selling season as we continue to focus our efforts around maximizing the benefit from the competitive store closures and highlighting the convenience and value that Big 5 Sporting Goods offers.”

Quarterly Cash Dividend

The Company’s Board of Directors has declared a quarterly cash dividend of \$0.15 per share of outstanding common stock, which will be paid on June 15, 2017 to stockholders of record as of June 1, 2017.

Guidance

For the fiscal 2017 second quarter, the Company expects same store sales to be in the positive mid-single-digit range and earnings per diluted share to be in the range of \$0.14 to \$0.20, compared to a same store sales decrease of 1.7% and earnings per diluted share of \$0.10 in the second quarter of fiscal 2016. Fiscal 2017 second quarter guidance reflects an anticipated small negative impact as a result of the calendar shifts of the Easter and Fourth of July holidays.

Store Openings

During the first quarter of fiscal 2017, the Company opened one store, which was a relocation, and closed two stores, one of which was a relocation, ending the quarter with 431 stores in operation. The Company has opened one store in the second quarter to date and anticipates opening one additional store in the remainder of the second quarter. For the fiscal 2017 full year, the Company currently anticipates opening approximately eight new stores and closing approximately three stores.

Conference Call Information

The Company will host a conference call and audio webcast today, May 2, 2017, at 2:00 p.m. Pacific (5:00 p.m. EDT), to discuss financial results for the first quarter of fiscal 2017. To access the conference call, participants in North America should dial (800) 316-8317, and international participants should dial (719) 785-9446. Participants are encouraged to dial in to the conference call ten minutes prior to the scheduled start time. The call will also be broadcast live over the Internet and accessible through the Investor Relations section of the Company's website at www.big5sportinggoods.com. Visitors to the website should select the "Investor Relations" link to access the webcast. The webcast will be archived and accessible on the same website for 30 days following the call. A telephone replay will be available through May 9, 2017 by calling (844) 512-2921 to access the playback; passcode is 9766250.

About Big 5 Sporting Goods Corporation

Big 5 is a leading sporting goods retailer in the western United States, operating 431 stores under the "Big 5 Sporting Goods" name as of the fiscal quarter ended April 2, 2017. Big 5 provides a full-line product offering in a traditional sporting goods store format that averages 11,000 square feet. Big 5's product mix includes athletic shoes, apparel and accessories, as well as a broad selection of outdoor and athletic equipment for team sports, fitness, camping, hunting, fishing, tennis, golf, winter and summer recreation and roller sports.

Except for historical information contained herein, the statements in this release are forward-looking and made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve known and unknown risks and uncertainties and other factors that may cause Big 5's actual results in current or future periods to differ materially from forecasted results. Those risks and uncertainties include, among other things, continued or worsening weakness in the consumer spending environment and the U.S. financial and credit markets, fluctuations in consumer holiday spending patterns, breach of data security or other unauthorized disclosure of sensitive personal or confidential information, the competitive environment in the sporting goods industry in general and in Big 5's specific market areas, inflation, product availability and growth opportunities, changes in the current market for (or regulation of) firearm-related products, seasonal fluctuations, weather conditions, changes in cost of goods, operating expense fluctuations, changes in laws or regulations, including those related to tariffs and duties, lower than expected profitability of Big 5's e-commerce platform or cannibalization of sales from Big 5's existing store base which could occur as a result of operating the e-commerce platform, litigation risks, stockholder campaigns and proxy contests, disruption in product flow, changes in interest rates, credit availability, higher expense associated with sources of credit resulting from uncertainty in financial markets and economic conditions in general. Those and other risks and uncertainties are more fully described in Big 5's filings with the Securities and Exchange Commission, including its Annual Reports on Form 10-K

and Quarterly Reports on Form 10-Q. Big 5 conducts its business in a highly competitive and rapidly changing environment. Accordingly, new risk factors may arise. It is not possible for management to predict all such risk factors, nor to assess the impact of all such risk factors on Big 5's business or the extent to which any individual risk factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Big 5 undertakes no obligation to revise or update any forward-looking statement that may be made from time to time by it or on its behalf.

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FINANCIAL TABLES FOLLOW

BIG 5 SPORTING GOODS CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In thousands, except share amounts)

	April 2, 2017	January 1, 2017
ASSETS		
Current assets:		
Cash	\$ 5,909	\$ 7,895
Accounts receivable, net of allowances of \$43 and \$42, respectively	10,484	12,200
Merchandise inventories, net	296,529	294,319
Prepaid expenses	<u>9,811</u>	<u>10,085</u>
Total current assets	<u>322,733</u>	<u>324,499</u>
Property and equipment, net	77,013	78,420
Deferred income taxes	21,913	23,699
Other assets, net of accumulated amortization of \$1,464 and \$1,420, respectively	2,560	2,528
Goodwill	<u>4,433</u>	<u>4,433</u>
Total assets	<u>\$428,652</u>	<u>\$433,579</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 101,584	\$ 109,314
Accrued expenses	66,963	76,887
Current portion of capital lease obligations	<u>1,376</u>	<u>1,326</u>
Total current liabilities	<u>169,923</u>	<u>187,527</u>
Deferred rent, less current portion	16,491	17,028
Capital lease obligations, less current portion	1,957	1,999
Long-term debt	21,809	10,000
Other long-term liabilities	<u>11,668</u>	<u>11,988</u>
Total liabilities	<u>221,848</u>	<u>228,542</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.01 par value, authorized 50,000,000 shares; issued 24,929,642 and 24,784,367 shares, respectively; outstanding 22,153,826 and 22,012,651 shares, respectively	249	248
Additional paid-in capital	114,589	114,797
Retained earnings	126,390	124,363
Less: Treasury stock, at cost; 2,775,816 and 2,771,716 shares, respectively	<u>(34,424)</u>	<u>(34,371)</u>
Total stockholders' equity	<u>206,804</u>	<u>205,037</u>
Total liabilities and stockholders' equity	<u>\$428,652</u>	<u>\$433,579</u>

BIG 5 SPORTING GOODS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In thousands, except per share data)

	13 Weeks Ended	
	April 2, 2017	April 3, 2016
Net sales	\$252,604	\$234,528
Cost of sales	<u>168,982</u>	<u>163,563</u>
Gross profit	83,622	70,965
Selling and administrative expense	<u>74,644</u>	<u>71,219</u>
Operating income (loss)	8,978	(254)
Interest expense	<u>268</u>	<u>452</u>
Income (loss) before income taxes	8,710	(706)
Income taxes ⁽¹⁾	<u>3,384</u>	<u>413</u>
Net income (loss) ⁽¹⁾	<u>\$ 5,326</u>	<u>\$ (1,119)</u>
Earnings per share:		
Basic	<u>\$ 0.25</u>	<u>\$ (0.05)</u>
Diluted ⁽¹⁾	<u>\$ 0.24</u>	<u>\$ (0.05)</u>
Dividends per share	<u>\$ 0.15</u>	<u>\$ 0.125</u>
Weighted-average shares of common stock outstanding:		
Basic	<u>21,683</u>	<u>21,583</u>
Diluted	<u>21,916</u>	<u>21,583</u>

- (1) In the first quarter of fiscal 2016, the Company recorded a charge of \$0.7 million to write-off deferred tax assets related to share-based compensation. This charge increased net loss by \$0.03 per share.