

---

**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): November 1, 2011**

---

**BIG 5 SPORTING GOODS CORPORATION**

(Exact name of registrant as specified in charter)

---

Delaware	000-49850	95-4388794
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)
2525 East El Segundo Boulevard, El Segundo, California		90245
(Address of principal executive offices)		(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))
- 
-

[Table of Contents](#)

**TABLE OF CONTENTS**

[Item 2.02. Results of Operations and Financial Condition](#)

[Item 9.01. Financial Statements and Exhibits](#)

[SIGNATURES](#)

[EX-99.1](#)

## [Table of Contents](#)

### **Item 2.02. Results of Operations and Financial Condition.**

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.

On November 1, 2011, Big 5 Sporting Goods Corporation issued a press release in which, among other things, it reported financial results for its fiscal 2011 third quarter. The press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

### **Item 9.01. Financial Statements and Exhibits**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release, dated November 1, 2011, issued by Big 5 Sporting Goods Corporation.

**SIGNATURES**

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: November 1, 2011

/s/ Barry D. Emerson

Barry D. Emerson

Senior Vice President, Chief Financial Officer and Treasurer



## Contact:

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

ICR, Inc.  
John Mills  
Senior Managing Director  
(310) 954-1105

**BIG 5 SPORTING GOODS CORPORATION ANNOUNCES FISCAL 2011 THIRD  
QUARTER RESULTS**

- ;** Exceeds Third Quarter Earnings per Diluted Share Guidance; Achieves EPS of \$0.27
- ;** Declares Quarterly Cash Dividend of \$0.075 per Share
- ;** Lowers Interest Rate and Extends Term of Current Credit Agreement

EL SEGUNDO, Calif., November 1, 2011 — Big 5 Sporting Goods Corporation (NASDAQ: BGFV), a leading sporting goods retailer, today reported financial results for the fiscal 2011 third quarter and nine months ended October 2, 2011.

For the fiscal 2011 third quarter, net sales were \$234.7 million, compared to net sales of \$231.8 million for the third quarter of fiscal 2010. Same store sales decreased 0.1% for the third quarter of 2011 versus the comparable period last year, when same store sales increased 2.0% over the prior year. Sales results reflect continued weakness in the consumer environment, which contributed to a decrease in customer traffic, partially offset by an increase in the average sales ticket.

Gross profit for the fiscal 2011 third quarter was \$77.0 million, compared to \$77.4 million in the third quarter of the prior year. The Company's gross profit margin was 32.8% in the fiscal 2011 third quarter versus 33.4% in the third quarter of last year. The decrease in gross profit margin primarily resulted from a decline of 40 basis points in merchandise margins, reflecting the impact of promotional activities and product cost inflation.

Selling and administrative expense as a percentage of net sales was 28.8% in the fiscal 2011 third quarter versus 28.6% in the third quarter of the prior year. Overall selling and

administrative expense increased \$1.2 million during the quarter from the prior year due primarily to an increase in store-related expenses as a result of new store openings.

Net income for the third quarter of fiscal 2011 was \$5.8 million, or \$0.27 per diluted share, versus net income of \$6.8 million, or \$0.31 per diluted share, for the third quarter of fiscal 2010.

For the 39-week period ended October 2, 2011, net sales were \$675.4 million compared to net sales of \$670.1 million in the 39 weeks ended October 3, 2010. Same store sales decreased 0.9% in the first 39 weeks of fiscal 2011 versus the comparable period last year. Net income was \$11.7 million, or \$0.53 per diluted share, including a \$0.02 non-cash impairment charge, for the first 39 weeks of fiscal 2011, compared to net income of \$16.6 million, or \$0.76 per diluted share, for the first 39 weeks of last year.

“We are pleased to have exceeded our earnings guidance for the third quarter,” said Steven G. Miller, the Company’s Chairman, President and Chief Executive Officer. “The earnings upside was driven by better than expected merchandise margins and favorable operating expenses. After a soft start to the quarter that we believe was largely attributable to unfavorable weather conditions in many of our markets, sales trends improved during August and September and we comped up in the low single-digit range over the back half of the quarter. We produced positive same store sales in both our apparel and footwear categories for the quarter, while our hardgoods category comped slightly down.”

Mr. Miller continued, “While we are pleased to report that positive sales trends have continued into the fourth quarter, we should note that consumer spending during the upcoming holiday season remains highly unpredictable. We are encouraged by our new merchandise and marketing initiatives and remain focused on identifying opportunities to broaden the reach of both our product and customer base.”

### **Quarterly Cash Dividend**

The Company’s Board of Directors has declared a quarterly cash dividend of \$0.075 per share of outstanding common stock, which will be paid on December 15, 2011 to stockholders of record as of December 1, 2011.

### **Guidance**

For the fiscal 2011 fourth quarter, the Company expects same store sales in the positive low to low-mid single-digit range and earnings per diluted share in the range of \$0.12 to \$0.24. The Company’s sales guidance is subject to the impact of consumer demand during the important holiday selling period, for which there is a large degree of uncertainty. A material improvement or decline in the overall consumer environment could materially impact the Company’s performance relative to this guidance. The Company’s earnings guidance assumes continued merchandise margin pressure resulting from product cost inflation. For comparative purposes, the Company’s earnings per diluted share for the fourth quarter of

fiscal 2010 were \$0.18, including a charge of \$0.07 per diluted share related to legal matters.

### **Store Openings**

The Company opened three new stores during the third quarter of fiscal 2011, bringing its store count at the end of the quarter to 398 stores. The Company has opened two new stores during the fourth quarter to date, and anticipates opening an additional six new stores over the remainder of the fourth quarter. Excluding stores closed as part of relocations that began last year, the Company now expects to open 11 net new stores during fiscal 2011.

### **Amended Credit Facility**

On October 31, 2011, the Company amended the terms of its existing \$140 million revolving credit facility to, among other things, extend the term of the facility to October 2016, reduce the interest rates charged on borrowings, reduce the fee charged for the unused portion of the facility and modify provisions for restricting certain payments and investments. Following the amendment, LIBO rate loans under the credit facility will bear interest based on LIBO rates plus a variable margin rate of 1.50% to 2.00% based on the remaining availability under the credit line.

### **Conference Call Information**

The Company will host a conference call and audio webcast today, November 1, 2011, at 2:00 p.m. Pacific Time (5:00 p.m. EDT) to discuss financial results for the fiscal 2011 third quarter. To access the conference call, participants in North America should dial (888) 461-2014, and international participants should dial (719) 325-2187. 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](http://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 November 15, 2011 by calling (877) 870-5176 to access the playback; pass code is 3707046.

### **About Big 5 Sporting Goods Corporation**

Big 5 is a leading sporting goods retailer in the western United States, operating 400 stores in 12 states under the "Big 5 Sporting Goods" name. 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, snowboarding 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, the competitive environment in the sporting goods industry in general and in Big 5's specific market areas, inflation, product availability and growth opportunities, seasonal fluctuations, weather conditions, changes in cost of goods, operating expense fluctuations, litigation risks, disruption in product flow, changes in interest rates, credit availability, and higher costs 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 Report on Form 10-K for the fiscal year ended January 2, 2011 and Quarterly Report on Form 10-Q for the fiscal quarter ended July 3, 2011. 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.

###

**FINANCIAL TABLES FOLLOW**



**BIG 5 SPORTING GOODS CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

(Unaudited)

(In thousands, except share amounts)

	<b>October 2, 2011</b>	<b>January 2, 2011</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 4,723	\$ 5,620
Accounts receivable, net of allowances of \$89 and \$201, respectively	9,014	15,000
Merchandise inventories, net	280,041	254,217
Prepaid expenses	7,708	7,588
Deferred income taxes	8,220	9,447
Total current assets	309,706	291,872
Property and equipment, net	76,826	81,333
Deferred income taxes	13,360	12,396
Other assets, net of accumulated amortization of \$314 and \$69, respectively	2,153	2,322
Goodwill	4,433	4,433
Total assets	\$ 406,478	\$ 392,356
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 91,607	\$ 94,818
Accrued expenses	53,542	64,392
Current portion of capital lease obligations	1,636	1,925
Total current liabilities	146,785	161,135
Deferred rent, less current portion	22,892	24,349
Capital lease obligations, less current portion	2,570	1,569
Long-term debt	69,116	48,313
Other long-term liabilities	6,359	6,264
Total liabilities	247,722	241,630
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.01 par value, authorized 50,000,000 shares; issued 23,477,865 and 23,315,832 shares, respectively; outstanding 21,994,570 and 21,832,537 shares, respectively	235	233
Additional paid-in capital	99,191	97,910
Retained earnings	80,696	73,949
Less: Treasury stock, at cost; 1,483,295 shares	(21,366)	(21,366)
Total stockholders' equity	158,756	150,726
Total liabilities and stockholders' equity	\$ 406,478	\$ 392,356

**BIG 5 SPORTING GOODS CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(Unaudited)

(In thousands, except per share data)

	13 Weeks Ended		39 Weeks Ended	
	October 2, 2011	October 3, 2010	October 2, 2011	October 3, 2010
Net sales	\$ 234,680	\$ 231,753	\$ 675,411	\$ 670,102
Cost of sales	<u>157,691</u>	<u>154,337</u>	<u>454,497</u>	<u>448,170</u>
Gross profit	76,989	77,416	220,914	221,932
Selling and administrative expense <sup>(1)</sup>	<u>67,484</u>	<u>66,301</u>	<u>201,590</u>	<u>194,366</u>
Operating income <sup>(1)</sup>	9,505	11,115	19,324	27,566
Interest expense	<u>632</u>	<u>603</u>	<u>1,838</u>	<u>1,370</u>
Income before income taxes <sup>(1)</sup>	8,873	10,512	17,486	26,196
Income taxes	<u>3,056</u>	<u>3,689</u>	<u>5,804</u>	<u>9,588</u>
Net income <sup>(1)</sup>	<u>\$ 5,817</u>	<u>\$ 6,823</u>	<u>\$ 11,682</u>	<u>\$ 16,608</u>
Earnings per share: <sup>(1)</sup>				
Basic	<u>\$ 0.27</u>	<u>\$ 0.32</u>	<u>\$ 0.54</u>	<u>\$ 0.77</u>
Diluted	<u>\$ 0.27</u>	<u>\$ 0.31</u>	<u>\$ 0.53</u>	<u>\$ 0.76</u>
Dividends per share	<u>\$ 0.075</u>	<u>\$ 0.05</u>	<u>\$ 0.225</u>	<u>\$ 0.15</u>
Weighted-average shares of common stock outstanding:				
Basic	<u>21,689</u>	<u>21,580</u>	<u>21,660</u>	<u>21,539</u>
Diluted	<u>21,791</u>	<u>21,845</u>	<u>21,874</u>	<u>21,873</u>

<sup>(1)</sup> In the second quarter of fiscal 2011, the Company recorded a pre-tax non-cash impairment charge of \$0.6 million related to certain underperforming stores. This charge reduced net income by \$0.4 million, or \$0.02 per diluted share. This impairment charge is included in selling and administrative expense in the consolidated statement of operations for the 39 weeks ended October 2, 2011. No impairment charges were recognized in fiscal 2010.