

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): February 28, 2012

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
(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))

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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 February 28, 2012, Big 5 Sporting Goods Corporation issued a press release in which, among other things, it reported financial results for its fiscal 2011 fourth quarter and full year. 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 February 28, 2012, 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: February 28, 2012

/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 FOURTH
QUARTER AND FULL YEAR RESULTS**

- **Declares Quarterly Cash Dividend of \$0.075 per Share**

EL SEGUNDO, Calif., February 28, 2012 — Big 5 Sporting Goods Corporation (NASDAQ: BGFV), a leading sporting goods retailer, today reported financial results for the fiscal 2011 fourth quarter and full year ended January 1, 2012.

As the Company previously reported, net sales for the fiscal 2011 fourth quarter were \$226.7 million, compared to net sales of \$226.7 million for the fourth quarter of fiscal 2010. Same store sales decreased 2.1% for the fourth quarter of fiscal 2011.

Gross profit for the fiscal 2011 fourth quarter was \$70.7 million, compared to \$75.8 million in the fourth quarter of the prior year. The Company's gross profit margin was 31.2% in the fiscal 2011 fourth quarter versus 33.4% in the fourth quarter of the prior year. The decrease in gross profit margin was driven primarily by lower merchandise margins of 190 basis points reflecting the largely anticipated impacts of product cost inflation and increased promotional activities, as well as a product sales mix shift away from higher margin winter product categories due to unfavorable winter weather conditions.

Selling and administrative expense as a percentage of net sales was 31.3% in the fiscal 2011 fourth quarter versus 30.5% in the fourth quarter of the prior year. The increase was primarily due to flat year-over-year net sales combined with higher store-related expenses reflecting an increased store count and increased advertising expense. Selling and administrative expense for the fiscal 2011 fourth quarter includes a non-cash pre-tax impairment charge of \$1.5 million, or \$0.05 per diluted share, related to certain underperforming stores.

The Company reported a net loss for the fourth quarter of fiscal 2011 of \$9,000, or \$0.00 per diluted share, including the non-cash impairment charge of \$0.05 per diluted share. For the fourth quarter of fiscal 2010, net income was \$4.0 million, or \$0.18 per diluted share, including a net charge of \$0.07 per diluted share related to legal matters.

For the fiscal 2011 full year, net sales increased to \$902.1 million from net sales of \$896.8 million for fiscal 2010. Same store sales decreased 1.2% in fiscal 2011 from fiscal 2010. Net income in fiscal 2011 was \$11.7 million, or \$0.53 per diluted share, including non-cash impairment charges of \$0.07 per diluted share, compared to net income in fiscal 2010 of \$20.6 million, or \$0.94 per diluted share, including the net charge of \$0.07 per diluted share for legal matters.

“As we previously reported, our fourth quarter performance was impacted by negative same store sales over the second half of the quarter,” said Steven G. Miller, the Company’s Chairman, President and Chief Executive Officer. “Although same store sales were positive over the first half of the quarter, the holiday selling period was below expectations as our results were heavily influenced by a lack of favorable winter weather in most of our markets and a highly promotional environment.”

Mr. Miller continued, “During the first quarter of 2012, we have continued to experience poor winter weather conditions and reduced demand for winter products in most of our geographic markets. Despite the adverse impact of the weather on our winter product sales, we are encouraged by the positive performance of a number of our other key product categories that have begun to benefit from new merchandise initiatives. We remain focused on refining our merchandise mix and adjusting our promotional and marketing plans to better appeal to today’s consumer. We are pleased with the early results of these efforts, and are excited about the potential positive effect on upcoming seasons.”

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 March 22, 2012 to stockholders of record as of March 8, 2012.

Share Repurchases

During the fiscal 2011 fourth quarter, the Company repurchased 109,550 shares of its common stock for a total expenditure of \$1.0 million. As of the end of fiscal 2011, the Company had approximately \$13.2 million available for future stock repurchases under its \$20.0 million share repurchase program authorized in the fiscal 2007 fourth quarter.

Guidance

For the fiscal 2012 first quarter, the Company expects same store sales in the negative low single-digit range and earnings per diluted share in the range of \$0.00 to \$0.06. This guidance reflects anticipated continued pressure on merchandise margins reflecting the impacts of product cost inflation and increased promotional activities, as well as a product sales mix shift away from higher margin winter product categories due to unfavorable winter weather conditions. For comparative purposes, the Company’s earnings per diluted share for the first quarter of fiscal 2011 were \$0.13.

Store Openings

The Company opened eight new stores during the fourth quarter, bringing its store count at the end of fiscal 2011 to 406 stores from 398 stores at the end of fiscal 2010. During the fiscal 2012 first quarter, the Company anticipates opening one new store, which is a relocation of an existing store that is expected to close later in the year. For the fiscal 2012 full year, the Company currently anticipates opening approximately ten new stores and relocating approximately seven stores.

Conference Call Information

The Company will host a conference call and audio webcast today, February 28, 2012, at 2:00 p.m. Pacific Time (5:00 p.m. EST) to discuss financial results for the fourth quarter and full year of fiscal 2011. To access the conference call, participants in North America should dial (888) 504-7962, and international participants should dial (719) 325-2338. 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 March 13, 2012 by calling (877) 870-5176 to access the playback; pass code is 6314624.

About Big 5 Sporting Goods Corporation

Big 5 is a leading sporting goods retailer in the western United States, operating 406 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, 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 fiscal 2010 and Quarterly Report on Form 10-Q for the third quarter of fiscal 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.

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FINANCIAL TABLES FOLLOW

BIG 5 SPORTING GOODS CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In thousands, except share amounts)

| | <u>January 1, 2012</u> | <u>January 2, 2011</u> |
|--|----------------------------|----------------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 4,900 | \$ 5,620 |
| Accounts receivable, net of allowances of \$142 and \$201, respectively | 13,106 | 15,000 |
| Merchandise inventories, net | 264,278 | 254,217 |
| Prepaid expenses | 7,972 | 7,588 |
| Deferred income taxes | 8,410 | 9,447 |
| Total current assets | <u>298,666</u> | <u>291,872</u> |
| Property and equipment, net | 75,369 | 81,333 |
| Deferred income taxes | 13,236 | 12,396 |
| Other assets, net of accumulated amortization of \$383 and \$69, respectively | 2,360 | 2,322 |
| Goodwill | 4,433 | 4,433 |
| Total assets | <u>\$394,064</u> | <u>\$392,356</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 77,593 | \$ 94,818 |
| Accrued expenses | 62,547 | 64,392 |
| Current portion of capital lease obligations | 1,617 | 1,925 |
| Total current liabilities | <u>141,757</u> | <u>161,135</u> |
| Deferred rent, less current portion | 22,483 | 24,349 |
| Capital lease obligations, less current portion | 3,145 | 1,569 |
| Long-term debt | 63,476 | 48,313 |
| Other long-term liabilities | 6,613 | 6,264 |
| Total liabilities | <u>237,474</u> | <u>241,630</u> |
| Commitments and contingencies | | |
| Stockholders' equity: | | |
| Common stock, \$0.01 par value, authorized 50,000,000 shares; issued 23,483,815 and 23,315,832 shares, respectively; outstanding 21,890,970 and 21,832,537 shares, respectively | 235 | 233 |
| Additional paid-in capital | 99,665 | 97,910 |
| Retained earnings | 79,037 | 73,949 |
| Less: Treasury stock, at cost; 1,592,845 and 1,483,295 shares, respectively | <u>(22,347)</u> | <u>(21,366)</u> |
| Total stockholders' equity | <u>156,590</u> | <u>150,726</u> |
| Total liabilities and stockholders' equity | <u>\$394,064</u> | <u>\$392,356</u> |

BIG 5 SPORTING GOODS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In thousands, except per share data)

| | Fiscal Quarter Ended | | Fiscal Year Ended | |
|--|----------------------|--------------------|--------------------|--------------------|
| | January 1, 2012 | January 2, 2011 | January 1, 2012 | January 2, 2011 |
| Net sales ⁽¹⁾ | \$ 226,723 | \$ 226,711 | \$ 902,134 | \$ 896,813 |
| Cost of sales | 156,034 | 150,931 | 610,531 | 599,101 |
| Gross profit ⁽¹⁾ | 70,689 | 75,780 | 291,603 | 297,712 |
| Selling and administrative expense ⁽¹⁾⁽²⁾ | 70,846 | 69,122 | 272,436 | 263,488 |
| Operating income (loss) | (157) | 6,658 | 19,167 | 34,224 |
| Interest expense | 723 | 738 | 2,561 | 2,108 |
| Income (loss) before income taxes | (880) | 5,920 | 16,606 | 32,116 |
| Income taxes | (871) | 1,966 | 4,933 | 11,554 |
| Net income (loss) ⁽¹⁾⁽²⁾ | <u>\$ (9)</u> | <u>\$ 3,954</u> | <u>\$ 11,673</u> | <u>\$ 20,562</u> |
| Earnings per share ⁽¹⁾⁽²⁾ : | | | | |
| Basic | <u>\$ —</u> | <u>\$ 0.18</u> | <u>\$ 0.54</u> | <u>\$ 0.95</u> |
| Diluted | <u>\$ —</u> | <u>\$ 0.18</u> | <u>\$ 0.53</u> | <u>\$ 0.94</u> |
| Dividends per share | <u>\$ 0.075</u> | <u>\$ 0.05</u> | <u>\$ 0.30</u> | <u>\$ 0.20</u> |
| Weighted-average shares of common stock outstanding: | | | | |
| Basic | <u>21,647</u> | <u>21,590</u> | <u>21,656</u> | <u>21,552</u> |
| Diluted | <u>21,647</u> | <u>21,923</u> | <u>21,869</u> | <u>21,890</u> |

⁽¹⁾ In the fourth quarter of fiscal 2010, the Company recorded a net pre-tax charge of \$2.3 million, reflecting a legal settlement accrual, of which \$0.8 million was classified as a reduction to net sales and \$1.5 million was classified as selling and administrative expense. This charge reduced net income in fiscal 2010 by \$1.5 million, or \$0.07 per diluted share.

⁽²⁾ In the fourth quarter of fiscal 2011 and full fiscal year 2011, the Company recorded a pre-tax non-cash impairment charge of \$1.5 million and \$2.1 million, respectively, related to certain underperforming stores. This impairment charge was included in selling and administrative expense, and reduced net income in the fourth quarter of fiscal 2011 and full fiscal year 2011 by \$1.1 million and \$1.5 million, respectively, or \$0.05 per diluted share and \$0.07 per diluted share, respectively.