

PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

DICK'S SPORTING GOODS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME - UNAUDITED
(Amounts in thousands, except per share data)

	13 Weeks Ended		39 Weeks Ended	
	November 3, 2018	October 28, 2017	November 3, 2018	October 28, 2017
Net sales	\$ 1,857,273	\$ 1,944,187	\$ 5,944,480	\$ 5,926,350
Cost of goods sold, including occupancy and distribution costs	1,333,719	1,410,067	4,201,277	4,213,143
GROSS PROFIT	523,554	534,120	1,743,203	1,713,207
Selling, general and administrative expenses	468,691	475,899	1,434,344	1,385,506
Pre-opening expenses	1,997	8,220	6,135	28,441
INCOME FROM OPERATIONS	52,866	50,001	302,724	299,260
Interest expense	2,606	2,839	8,312	6,319
Other expense (income)	68	(10,768)	(1,233)	(28,117)
INCOME BEFORE INCOME TAXES	50,192	57,930	295,645	321,058
Provision for income taxes	12,365	21,017	78,336	113,564
NET INCOME	<u>\$ 37,827</u>	<u>\$ 36,913</u>	<u>\$ 217,309</u>	<u>\$ 207,494</u>
EARNINGS PER COMMON SHARE:				
Basic	\$ 0.39	\$ 0.35	\$ 2.20	\$ 1.92
Diluted	\$ 0.39	\$ 0.35	\$ 2.18	\$ 1.91
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:				
Basic	96,677	105,466	98,926	108,027
Diluted	97,890	105,814	99,878	108,633
Cash dividends declared per share	\$ 0.225	\$ 0.170	\$ 0.675	\$ 0.510

See accompanying notes to unaudited consolidated financial statements.

DICK'S SPORTING GOODS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS - UNAUDITED
(Dollars in thousands)

	November 3, 2018	February 3, 2018	October 28, 2017
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 92,103	\$ 101,253	\$ 111,815
Accounts receivable, net	57,559	60,107	88,979
Income taxes receivable	10,422	4,433	72,911
Inventories, net	2,196,777	1,711,103	2,178,495
Prepaid expenses and other current assets	138,468	129,189	129,876
Total current assets	<u>2,495,329</u>	<u>2,006,085</u>	<u>2,582,076</u>
Property and equipment, net	1,578,313	1,677,340	1,679,872
Intangible assets, net	131,763	136,587	144,896
Goodwill	250,476	250,476	245,126
Other assets:			
Deferred income taxes	11,886	13,639	10,425
Other	115,991	119,812	122,519
Total other assets	<u>127,877</u>	<u>133,451</u>	<u>132,944</u>
TOTAL ASSETS	<u><u>\$ 4,583,758</u></u>	<u><u>\$ 4,203,939</u></u>	<u><u>\$ 4,784,914</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payable	\$ 1,028,234	\$ 843,075	\$ 1,061,776
Accrued expenses	350,737	354,181	378,477
Deferred revenue and other liabilities	167,781	212,080	161,193
Income taxes payable	2,078	10,476	488
Current portion of other long-term debt and leasing obligations	5,251	5,202	5,175
Total current liabilities	<u>1,554,081</u>	<u>1,425,014</u>	<u>1,607,109</u>
LONG-TERM LIABILITIES:			
Revolving credit borrowings	382,300	—	454,700
Other long-term debt and leasing obligations	56,111	60,084	61,413
Deferred income taxes	14,951	10,232	23,710
Deferred rent and other liabilities	729,273	767,108	764,996
Total long-term liabilities	<u>1,182,635</u>	<u>837,424</u>	<u>1,304,819</u>
COMMITMENTS AND CONTINGENCIES			
STOCKHOLDERS' EQUITY:			
Common stock	703	783	797
Class B common stock	245	247	247
Additional paid-in capital	1,204,293	1,177,778	1,166,370
Retained earnings	2,374,336	2,205,651	2,106,086
Accumulated other comprehensive loss	(118)	(78)	(85)
Treasury stock, at cost	(1,732,417)	(1,442,880)	(1,400,429)
Total stockholders' equity	<u>1,847,042</u>	<u>1,941,501</u>	<u>1,872,986</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>\$ 4,583,758</u></u>	<u><u>\$ 4,203,939</u></u>	<u><u>\$ 4,784,914</u></u>

See accompanying notes to unaudited consolidated financial statements.

DICK'S SPORTING GOODS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS - UNAUDITED
(Dollars in thousands)

	39 Weeks Ended	
	November 3, 2018	October 28, 2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 217,309	\$ 207,494
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	178,737	166,521
Deferred income taxes	(726)	59,145
Stock-based compensation	31,783	24,762
Other non-cash items	700	595
Changes in assets and liabilities:		
Accounts receivable	(7,218)	(18,145)
Inventories	(466,212)	(539,863)
Prepaid expenses and other assets	7,950	(20,847)
Accounts payable	234,859	316,602
Accrued expenses	11,152	23,404
Income taxes payable / receivable	(14,387)	(123,350)
Deferred construction allowances	23,440	78,482
Deferred revenue and other liabilities	(56,859)	(49,258)
Net cash provided by operating activities	<u>160,528</u>	<u>125,542</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(135,288)	(386,600)
Acquisitions, net of cash acquired	—	(8,500)
Deposits and purchases of other assets	—	(2,344)
Net cash used in investing activities	<u>(135,288)</u>	<u>(397,444)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Revolving credit borrowings	1,723,500	2,431,200
Revolving credit repayments	(1,341,200)	(1,976,500)
Proceeds from term loan	—	62,492
Payments on other long-term debt and leasing obligations	(3,924)	(1,229)
Construction allowance receipts	—	—
Proceeds from exercise of stock options	—	16,558
Minimum tax withholding requirements	(5,264)	(5,771)
Cash paid for treasury stock	(289,623)	(242,119)
Cash dividends paid to stockholders	(68,139)	(55,375)
Decrease in bank overdraft	(49,700)	(10,363)
Net cash (used in) provided by financing activities	<u>(34,350)</u>	<u>218,893</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(40)</u>	<u>47</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(9,150)</u>	<u>(52,962)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>101,253</u>	<u>164,777</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 92,103</u>	<u>\$ 111,815</u>
Supplemental disclosure of cash flow information:		
Accrued property and equipment	\$ 14,308	\$ 44,593
Cash paid for interest	\$ 7,185	\$ 5,002
Cash paid for income taxes	\$ 97,407	\$ 180,067

See accompanying notes to unaudited consolidated financial statements.