

Consolidated Balance Sheets

Dollars in Thousands

	February 2, 2019	February 3, 2018
		As Adjusted ⁽¹⁾
Assets		
Current assets:		
Cash and cash equivalents	\$ 123,509	\$ 187,028
Accounts receivable	49,853	38,437
Merchandise inventories	1,528,417	1,463,561
Other current assets	68,753	50,359
Total current assets	1,770,532	1,739,385
Property and equipment:		
Land and land improvements	64,003	64,003
Buildings and leasehold improvements	3,125,629	3,096,838
Furniture, fixtures and equipment	603,698	1,041,758
Buildings under construction	6,707	1,464
Buildings and equipment under capital leases	14,556	23,648
Less accumulated depreciation and amortization	(2,227,860)	(2,531,435)
	1,586,733	1,696,276
Other assets	74,104	247,042
Total assets	\$ 3,431,369	\$ 3,682,703
Liabilities and stockholders' equity		
Current liabilities:		
Trade accounts payable and accrued expenses	\$ 921,205	\$ 845,281
Current portion of long-term debt	—	160,927
Current portion of capital lease obligations	1,214	1,107
Federal and state income taxes	11,116	41,920
Total current liabilities	933,535	1,049,235
Long-term debt	365,569	365,429
Capital lease obligations	1,666	2,880
Other liabilities	238,731	240,173
Deferred income taxes	13,487	116,831
Subordinated debentures	200,000	200,000
Commitments and contingencies		
Stockholders' equity:		
Common stock, Class A—119,899,553 and 119,860,744 shares issued; 22,338,129 and 24,096,228 shares outstanding	1,199	1,199
Common stock, Class B (convertible)—4,010,401 and 4,010,401 shares issued and outstanding	40	40
Additional paid-in capital	948,835	946,147
Accumulated other comprehensive loss	(12,809)	(15,444)
Retained earnings	4,458,006	4,365,219
Less treasury stock, at cost, Class A—97,561,424 and 95,764,516 shares	(3,716,890)	(3,589,006)
Total stockholders' equity	1,678,381	1,708,155
Total liabilities and stockholders' equity	\$ 3,431,369	\$ 3,682,703

⁽¹⁾ See Note 1, *Description of Business and Summary of Significant Accounting Policies*

See notes to consolidated financial statements.

Consolidated Statements of Income
Dollars in Thousands, Except Per Share Data

	Years Ended		
	February 2, 2019	February 3, 2018	January 28, 2017
		As Adjusted ⁽¹⁾	As Adjusted ⁽¹⁾
Net sales	\$ 6,356,109	\$ 6,261,477	\$ 6,257,137
Service charges and other income.	147,240	161,199	160,871
	<u>6,503,349</u>	<u>6,422,676</u>	<u>6,418,008</u>
Cost of sales	4,291,520	4,199,718	4,166,411
Selling, general and administrative expenses	1,691,180	1,684,916	1,646,775
Depreciation and amortization	223,815	231,595	243,657
Rentals.	28,646	28,012	25,954
Interest and debt expense, net	52,518	62,580	63,059
Other expense	7,660	8,026	8,882
Loss (gain) on disposal of assets.	48	(4,860)	(905)
Asset impairment and store closing charges	—	—	6,500
Income before income taxes and income on and equity in earnings of joint ventures.	207,962	212,689	257,675
Income taxes (benefit).	37,730	(7,800)	88,500
Income on and equity in earnings of joint ventures	31	835	45
Net income	<u>\$ 170,263</u>	<u>\$ 221,324</u>	<u>\$ 169,220</u>
Earnings per common share:			
Basic	\$ 6.23	\$ 7.51	\$ 4.93
Diluted	6.23	7.51	4.93

⁽¹⁾ See Note 1, *Description of Business and Summary of Significant Accounting Policies*

See notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Dollars in Thousands

	Years Ended		
	February 2, 2019	February 3, 2018	January 28, 2017
		As Adjusted ⁽¹⁾	As Adjusted ⁽¹⁾
Operating activities:			
Net income	\$ 170,263	\$ 221,324	\$ 169,220
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of property and other deferred cost	225,849	233,683	245,923
Deferred income taxes	334	(102,065)	(35,703)
Loss (gain) on disposal of assets	48	1,000	(905)
Proceeds from insurance	—	—	3,173
Gain from insurance proceeds	—	(5,861)	(1,635)
Loss on early extinguishment of debt	—	797	—
Asset impairment and store closing charges	—	—	6,500
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable	(11,416)	8,871	(1,743)
Increase in merchandise inventories	(64,856)	(57,158)	(33,436)
(Increase) decrease in other current assets	(17,416)	(1,902)	9,224
(Increase) decrease in other assets	(10,419)	2,196	1,047
Increase (decrease) in trade accounts payable and accrued expenses and other liabilities	104,060	(20,395)	156,750
Decrease in income taxes payable	(29,159)	(6,205)	(6,205)
Net cash provided by operating activities	367,288	274,285	512,210
Investing activities:			
Purchase of property and equipment	(137,064)	(130,464)	(104,824)
Proceeds from disposal of assets	2,003	11,683	1,150
Proceeds from insurance	3,477	5,114	6,322
Investment in joint venture	—	—	(20,000)
Distribution from joint venture	3,835	3,460	2,500
Net cash used in investing activities	(127,749)	(110,207)	(114,852)
Financing activities:			
Principal payments on long-term debt and capital lease obligations	(162,066)	(90,483)	(3,284)
Cash dividends paid	(11,108)	(9,424)	(9,787)
Purchase of treasury stock	(129,884)	(223,013)	(240,171)
Issuance cost of line of credit	—	(1,115)	—
Net cash used in financing activities	(303,058)	(324,035)	(253,242)
(Decrease) increase in cash and cash equivalents	(63,519)	(159,957)	144,116
Cash and cash equivalents, beginning of year	187,028	346,985	202,869
Cash and cash equivalents, end of year	\$ 123,509	\$ 187,028	\$ 346,985
Non-cash transactions:			
Accrued capital expenditures	\$ 2,597	\$ 23,084	\$ 3,453
Stock awards	2,688	2,680	2,671
Accrued purchases of treasury stock	—	2,000	6,002

⁽¹⁾ See Note 1, *Description of Business and Summary of Significant Accounting Policies*

See notes to consolidated financial statements.