

Boot Barn Holdings, Inc. and Subsidiaries
Consolidated Balance Sheet s

(In thousands, except per share data)

	April 1, 2017	March 26, 2016
Assets		
Current assets:		
Cash and cash equivalents	\$ 8,035	\$ 7,195
Accounts receivable, net	4,354	4,131
Inventories	189,096	176,335
Prepaid expenses and other current assets	22,818	15,558
Total current assets	224,303	203,219
Property and equipment, net	82,711	76,076
Goodwill	193,095	193,095
Intangible assets, net	64,511	64,861
Other assets	961	2,075
Total assets	<u>\$ 565,581</u>	<u>\$ 539,326</u>
Liabilities and stockholders' equity		
Current liabilities:		
Line of credit	\$ 33,274	\$ 48,815
Accounts payable	77,482	66,553
Accrued expenses and other current liabilities	35,983	35,896
Current portion of notes payable, net	1,062	1,035
Total current liabilities	147,801	152,299
Deferred taxes	20,961	12,255
Long-term portion of notes payable, net	191,517	192,579
Capital lease obligations	7,825	8,272
Other liabilities	17,568	12,431
Total liabilities	385,672	377,836
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Common stock, \$0.0001 par value; April 1, 2017 - 100,000 shares authorized, 26,575 shares issued; March 26, 2016 - 100,000 shares authorized, 26,354 shares issued	3	3
Preferred stock, \$0.0001 par value; 10,000 shares authorized, no shares issued or outstanding	—	—
Additional paid-in capital	142,184	137,893
Retained earnings	37,791	23,594
Less: Common stock held in treasury, at cost, 14 and 4 shares at April 1, 2017 and March 26, 2016, respectively	(69)	—
Total stockholders' equity	179,909	161,490
Total liabilities and stockholders' equity	<u>\$ 565,581</u>	<u>\$ 539,326</u>

The accompanying notes are an integral part of these consolidated financial statements.

Boot Barn Holdings, Inc. and Subsidiaries
Consolidated Statements of Operations

(In thousands, except per share amounts)

	Fiscal Year Ended		
	April 1, 2017	March 26, 2016	March 28, 2015
Net sales	\$ 629,816	\$ 569,020	\$ 402,684
Cost of goods sold	439,930	396,317	267,907
Amortization of inventory fair value adjustment	—	(500)	—
Total cost of goods sold	439,930	395,817	267,907
Gross profit	189,886	173,203	134,777
Operating expenses:			
Selling, general and administrative expenses	152,068	142,078	99,341
Acquisition-related expenses	—	891	—
Total operating expenses	152,068	142,969	99,341
Income from operations	37,818	30,234	35,436
Interest expense, net	14,699	12,923	13,291
Other income, net	—	—	51
Income before income taxes	23,119	17,311	22,196
Income tax expense	8,922	7,443	8,466
Net income	14,197	9,868	13,730
Net income attributed to non-controlling interest	—	—	4
Net income attributed to Boot Barn Holdings, Inc.	\$ 14,197	\$ 9,868	\$ 13,726
Earnings per share:			
Basic shares	\$ 0.54	\$ 0.38	\$ 0.56
Diluted shares	\$ 0.53	\$ 0.37	\$ 0.54
Weighted average shares outstanding:			
Basic shares	26,459	26,170	22,126
Diluted shares	26,939	26,955	22,888

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Boot Barn Holdings, Inc. and Subsidiaries
Consolidated Statements of Cash Flow s

(In thousands)

	Fiscal Year Ended		
	April 1, 2017	March 26, 2016	March 28, 2015
Cash flows from operating activities			
Net income	\$ 14,197	\$ 9,868	\$ 13,730
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	14,555	11,480	6,615
Stock-based compensation	3,023	2,881	2,048
Excess tax benefit	—	(3,621)	(681)
Amortization of intangible assets	2,155	2,536	2,592
Amortization and write-off of debt issuance fees and debt discount	1,145	2,274	3,684
Loss on disposal of property and equipment	367	463	134
Store impairment charge	1,164	—	—
Accretion of above market leases	(36)	(72)	(149)
Deferred taxes	6,175	981	1,402
Amortization of inventory fair value adjustment	—	(500)	—
Changes in operating assets and liabilities, net of acquisitions:			
Accounts receivable, net	(223)	1,524	(1,672)
Inventories	(12,761)	(16,087)	(26,610)
Prepaid expenses and other current assets	(3,805)	7,543	(1,667)
Other assets	5	(2,713)	(362)
Accounts payable	10,501	6,835	7,364
Accrued expenses and other current liabilities	(483)	5,068	3,298
Other liabilities	5,172	4,469	1,782
Net cash provided by operating activities	\$ 41,151	\$ 32,929	\$ 11,508
Cash flows from investing activities			
Purchases of property and equipment	(22,293)	(36,127)	(14,074)
Acquisition of business or assets, net of cash acquired	(1,305)	(146,541)	—
Net cash used in investing activities	\$ (23,598)	\$ (182,668)	\$ (14,074)
Cash flows from financing activities			
Borrowings/(payments) on line of credit - net	(15,541)	32,615	(12,424)
Proceeds from loan borrowings	—	200,938	104,938
Repayments on debt and capital lease obligations	(2,378)	(77,899)	(130,326)
Debt issuance fees	—	(6,487)	(1,361)
Net proceeds from initial public offering	—	—	82,224
Tax withholding payments for net share settlement	(69)	—	—
Excess tax benefits from stock options	—	3,621	681
Proceeds from the exercise of stock options	1,275	2,698	464
Dividends paid	—	—	(41,300)
Net cash (used in)/provided by financing activities	\$ (16,713)	\$ 155,486	\$ 2,896
Net increase in cash and cash equivalents	840	5,747	330
Cash and cash equivalents, beginning of period	7,195	1,448	1,118
Cash and cash equivalents, end of period	\$ 8,035	\$ 7,195	\$ 1,448
Supplemental disclosures of cash flow information:			
Cash paid for income taxes	\$ 4,192	\$ 3,296	\$ 8,297
Cash paid for interest	\$ 13,646	\$ 10,333	\$ 11,167
Supplemental disclosure of non-cash activities:			
Unpaid purchases of property and equipment	\$ 2,421	\$ 1,992	\$ 1,374
Equipment acquired through capital lease	\$ —	\$ 38	\$ 36

The accompanying notes are an integral part of these consolidated financial statements.