

**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): March 12, 2020

**Zumiez Inc**

(Exact Name of Registrant as Specified in Charter)

**Washington**

(State or Other Jurisdiction of Incorporation)

**000-51300**

(Commission File Number)

**91-1040022**

(I.R.S. Employer Identification Number)

**4001 204th Street SW, Lynnwood, WA 98036**  
(Address of Principal Executive Offices) (Zip Code)

**(425) 551-1500**  
(Registrant's telephone number, including area code)

**Not Applicable**

(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:

- 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	ZUMZ	Nasdaq Global Select

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

On March 12, 2020, Zumiez Inc. issued a press release (the "Press Release") reporting its financial results for the fourth quarter and year ended February 1, 2020, a copy of which is attached hereto as Exhibit 99.1 and the contents of which are incorporated herein by this reference.

In accordance with General Instruction B.2. of Form 8-K, the information contained in this report and the Press Release shall not be deemed "Filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

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

[Exhibit 99.1. Press release dated March 12, 2020](#)

---

**SIGNATURE**

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.

**Zumiez Inc**

Date: March 12, 2020

By: /s/ Richard M. Brooks  
Richard M. Brooks  
Chief Executive Officer

## ZUMIEZ INC. ANNOUNCES FISCAL 2019 FOURTH QUARTER RESULTS

**Fourth Quarter 2019 Comparable Sales Increased 6.4%**  
**Fourth Quarter 2019 Diluted Earnings Per Share Increased 25.4% to \$1.48**  
**February 2020 Comparable Sales Increased 5.8%**

LYNNWOOD, Wash., March 12, 2020 (GLOBE NEWSWIRE) -- Zumiez Inc. (NASDAQ: ZUMZ) today reported results for the fourth quarter and year ended February 1, 2020.

Total net sales for the fourth quarter ended February 1, 2020 (13 weeks) increased 7.9% to \$328.8 million from \$304.6 million in the quarter ended February 2, 2019 (13 weeks). Comparable sales for the thirteen weeks ended February 1, 2020 increased 6.4% compared to a comparable sales increase of 3.9% for the thirteen weeks ended February 2, 2019. Net income for the fourth quarter of fiscal 2019 was \$37.9 million, or \$1.48 per diluted share, compared to net income of \$29.6 million, or \$1.18 per diluted share in the fourth quarter of the prior fiscal year. Fourth quarter fiscal 2019 results include \$2.0 million in net sales related to the recognition of deferred revenue due to changes in our STASH loyalty program estimated redemption rate, which was worth approximately \$0.06 cents in earnings per share.

Total net sales for fiscal 2019 (52 weeks) ended February 1, 2020 increased 5.7% to \$1.034 billion from \$978.6 million in fiscal 2018 (52 weeks) ended February 2, 2019. Comparable sales for the fifty-two week period ended February 1, 2020 increased 4.9% compared the same fifty-two week period ended February 2, 2019. Net income in fiscal 2019 increased 48.0% to \$66.9 million, or \$2.62 per diluted share, compared to net income in the prior fiscal year of \$45.2, or \$1.79 per diluted share.

At February 1, 2020, the Company had cash and current marketable securities of \$251.2 million compared to cash and current marketable securities of \$165.3 million at February 2, 2019. The increase in cash and current marketable securities was driven by cash generated through operations partially offset by capital expenditures.

Rick Brooks, Chief Executive Officer of Zumiez Inc., stated, "Our strong fourth quarter and full year performance underscores the power of our business model. Through our unwavering commitment to providing best-in-class service and great product to our customers, we have generated 14 consecutive quarters of positive comparable sales gains. Our success in progressively increasing sales with double digit growth in profitability in recent years has been driven by the disciplined execution of our merchandising strategies, investments in people and technology, the benefits of our localized fulfillment structure, and the implementation of numerous efficiency and cost saving initiatives.

While the first quarter is off to a good start, these are challenging times with a high degree of uncertainty driven by the pandemic. However, with over \$250 million in cash and short term investments and no debt on our balance sheet, we are well positioned to navigate this environment. With respect to Coronavirus, our focus is first and foremost on the safety of our customers and employees. We are monitoring this fluid situation and intend to remain flexible and agile in adjusting inventory, expense and capital allocation plans accordingly."

### February 2020 Sales

The Company's comparable sales increased 5.8% for the four-week period ended February 29, 2020 compared to a comparable sales decrease of 3.8% for the four-week period ended March 2, 2019.

### Fiscal 2020 First Quarter Outlook

The Company is introducing guidance for the three months ending May 2, 2020. Net sales are projected to be in the range of \$219 to \$223 million including anticipated comparable sales growth of between 2.0% and 4.0%. Consolidated operating margins are expected to be between 0.4% and 1.3% resulting in net income per diluted share of approximately \$0.01 to \$0.07. This guidance does not take into account some of the macro factors going on globally including the impact of the Coronavirus.

The Company currently intends to open approximately 20 new stores in fiscal 2020, including up to 8 stores in North America, 8 stores in Europe and 4 stores in Australia.

### Conference call Information

A conference call will be held today to discuss fourth quarter fiscal 2019 results and will be webcast at 5:00 p.m. ET on <http://ir.zumiez.com>. Participants may also dial (844) 309-0606 followed by the conference identification code of 6097472

### About Zumiez Inc.

Zumiez is a leading specialty retailer of apparel, footwear, accessories and hardgoods for young men and women who want to express their individuality through the fashion, music, art and culture of action sports, streetwear, and other unique lifestyles. As of February 29, 2020 we operated 718 stores, including 607 in the United States, 52 in Canada, 48 in Europe and 11 in Australia. We operate under the names Zumiez, Blue Tomato and Fast Times. Additionally, we operate ecommerce web sites at [zumiez.com](http://zumiez.com), [blue-tomato.com](http://blue-tomato.com) and [fasttimes.com.au](http://fasttimes.com.au)

### Safe Harbor Statement

Certain statements in this press release and oral statements relating thereto made from time to time by representatives of the Company may constitute forward-looking statements for purposes of the safe harbor provisions under the Private Securities Litigation Reform Act of 1995. These statements include, without limitation, predictions and guidance relating to the Company's future financial performance, brand and product category diversity, ability to adjust product mix, integration of acquired businesses, growing customer demand for our products and new store openings. In some cases, you can identify forward-looking statements by terminology such as, "may," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue," or the negative of these terms or other comparable terminology. These forward-looking statements are based on management's current expectations but they involve a number of risks and uncertainties. Actual results and the timing of events could differ materially from those anticipated in the forward-looking statements as a result of risks and uncertainties, which include, without limitation, those described in the Company's annual report on Form 10-K for the fiscal year ended February 2, 2019 as filed with the Securities and Exchange Commission and available at [www.sec.gov](http://www.sec.gov). You are urged to consider these factors carefully in evaluating the forward-looking statements herein and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by this cautionary statement. The forward-looking statements speak only as of the date on which they are made and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

**ZUMIEZ INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
(In thousands, except per share amounts)  
(Unaudited)

	Three Months Ended			
	February 1, 2020 (Unaudited)	% of Sales	February 2, 2019 (Unaudited)	% of Sales
Net sales	\$ 328,754	100.0%	304,564	100.0%
Cost of goods sold	200,427	61.0%	190,623	62.6%
<b>Gross profit</b>	128,327	39.0%	113,941	37.4%
Selling, general and administrative expenses	79,471	24.1%	76,246	25.0%
<b>Operating profit</b>	48,856	14.9%	37,695	12.4%
Interest income, net	1,002	0.3%	677	0.2%
Other expense, net	545	0.1%	(131)	0.0%
<b>Earnings before income taxes</b>	50,403	15.3%	38,241	12.6%
Provision for income taxes	12,518	3.8%	8,629	2.9%
<b>Net income</b>	<u>\$ 37,885</u>	<u>11.5%</u>	<u>\$ 29,612</u>	<u>9.7%</u>
Basic earnings per share	<u>\$ 1.50</u>		<u>\$ 1.19</u>	
Diluted earnings per share	<u>\$ 1.48</u>		<u>\$ 1.18</u>	
Weighted average shares used in computation of earnings per share:				
Basic	25,281		24,985	
Diluted	25,662		25,190	

**ZUMIEZ INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
(In thousands, except per share amounts)

	Fiscal Year Ended			
	February 1, 2020 (Unaudited)	% of Sales	February 2, 2019	% of Sales
Net sales	\$ 1,034,129	100.0%	\$ 978,617	100.0%
Cost of goods sold	667,566	64.6%	642,681	65.7%
<b>Gross profit</b>	366,563	35.4%	335,936	34.3%
Selling, general and administrative expenses	280,756	27.1%	274,858	28.1%
<b>Operating profit</b>	85,807	8.3%	61,078	6.2%
Interest income, net	3,654	0.4%	1,692	0.2%
Other expense, net	1,532	0.1%	(440)	0.0%
<b>Earnings before income taxes</b>	90,993	8.8%	62,330	6.4%
Provision for income taxes	24,112	2.3%	17,125	1.8%
<b>Net income</b>	<u>\$ 66,881</u>	<u>6.5%</u>	<u>\$ 45,205</u>	<u>4.6%</u>
Basic earnings per share	<u>\$ 2.65</u>		<u>\$ 1.81</u>	
Diluted earnings per share	<u>\$ 2.62</u>		<u>\$ 1.79</u>	

Weighted average shares used in computation of earnings per share:

Basic	25,200	24,936
Diluted	25,535	25,212

**ZUMIEZ INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In thousands)

	<b>February 1, 2020</b>	<b>February 2, 2019</b>
	<b>(Unaudited)</b>	
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 52,428	\$ 52,422
Marketable securities	198,768	112,912
Receivables	16,841	17,776
Inventories	135,095	129,268
Prepaid expenses and other current assets	9,456	14,797
<b>Total current assets</b>	<b>412,588</b>	<b>327,175</b>
Fixed assets, net	113,051	120,503
Operating lease right-of-use assets	301,784	-
Goodwill	57,099	58,813
Intangible assets, net	14,564	15,260
Deferred tax assets, net	6,303	5,259
Other long-term assets	8,869	7,180
<b>Total long-term assets</b>	<b>501,670</b>	<b>207,015</b>
<b>Total assets</b>	<b>\$ 914,258</b>	<b>\$ 534,190</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current liabilities</b>		
Trade accounts payable	\$ 47,787	\$ 35,293
Accrued payroll and payroll taxes	23,653	21,015
Income taxes payable	4,686	5,817
Deferred rent and tenant allowances	-	7,489
Operating lease liabilities	61,800	-
Other liabilities	21,784	23,494
<b>Total current liabilities</b>	<b>159,710</b>	<b>93,108</b>
Long-term deferred rent and tenant allowances	-	37,076
Long-term operating lease liabilities	284,717	-
Other long-term liabilities	3,745	3,550
<b>Total long-term liabilities</b>	<b>288,462</b>	<b>40,626</b>
<b>Total liabilities</b>	<b>448,172</b>	<b>133,734</b>
<b>Shareholders' equity</b>		
Preferred stock, no par value, 20,000 shares authorized; none issued and outstanding	-	-
Common stock, no par value, 50,000 shares authorized; 25,828 shares issued and outstanding at February 1, 2020 and 25,521 shares issued and outstanding at February 2, 2019	161,458	153,066
Accumulated other comprehensive (loss) income	(12,591)	(9,224)
Retained earnings	317,219	256,614
<b>Total shareholders' equity</b>	<b>466,086</b>	<b>400,456</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 914,258</b>	<b>\$ 534,190</b>

**ZUMIEZ INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)

<b>Fiscal Year Ended</b>	
<b>February 1, 2020</b>	<b>February 2, 2019</b>

**(Unaudited)****Cash flows from operating activities:**

Net income	\$	66,881	\$	45,205
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation, amortization and accretion		25,449		27,316
Noncash lease expense		58,223		-
Deferred taxes		899		(1,809)
Stock-based compensation expense		6,382		5,871
Other		(441)		2,326
Changes in operating assets and liabilities:				
Receivables		3,396		(2,002)
Inventories		(6,825)		(6,222)
Prepaid expenses and other current assets		433		(648)
Trade accounts payable		12,756		(2,374)
Accrued payroll and payroll taxes		2,735		628
Income taxes payable		(1,127)		780
Deferred rent and tenant allowances		-		(2,420)
Operating lease liabilities		(62,217)		-
Other liabilities		(902)		(1,245)
<b>Net cash provided by operating activities</b>		<u>105,642</u>		<u>65,406</u>
<b>Cash flows from investing activities:</b>				
Additions to fixed assets		(18,818)		(21,028)
Purchases of marketable securities and other investments		(236,838)		(148,646)
Sales and maturities of marketable securities and other investments		152,725		133,276
<b>Net cash used in investing activities</b>		<u>(102,931)</u>		<u>(36,398)</u>
<b>Cash flows from financing activities:</b>				
Proceeds from revolving credit facilities		-		34,629
Payments on revolving credit facilities		-		(35,181)
Proceeds from issuance and exercise of stock-based awards		2,332		899
Payments for tax withholdings on equity awards		(322)		(227)
<b>Net cash provided by financing activities</b>		<u>2,010</u>		<u>120</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		(429)		(660)
<b>Net increase in cash and cash equivalents</b>		4,292		28,468
<b>Cash and cash equivalents, beginning of period</b>		54,271		25,803
<b>Cash and cash equivalents, end of period</b>	\$	<u>58,563</u>	\$	<u>54,271</u>
<b>Supplemental disclosure on cash flow information:</b>				
Cash paid during the period for income taxes	\$	24,138	\$	18,345
Accrual for purchases of fixed assets		1,152		1,805

**Company Contact:**

Darin White  
Director of Finance &  
Investor Relations  
Zumiez Inc.  
(425) 551-1500, ext. 1337

**Investor Contact:**

ICR  
Brendon Frey  
(203) 682-8200