

CATO CORP  
Form 10-Q  
December 05, 2012

Table of Contents

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR  
15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended October 27, 2012

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR  
15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission file number 1-31340

**THE CATO CORPORATION**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or organization)

56-0484485  
(I.R.S. Employer Identification No.)

8100 Denmark Road, Charlotte, North Carolina 28273-5975  
(Address of principal executive offices)

(Zip Code)

(704) 554-8510  
(Registrant's telephone number, including area code)

Not Applicable  
(Former name, former address and former fiscal year, if changed since last report)



**THE CATO CORPORATION**

**FORM 10-Q**

**Quarter Ended October 27, 2012**

**Table of Contents**

	Page No.
<b>PART I – FINANCIAL INFORMATION (UNAUDITED)</b>	
Item 1. Financial Statements (Unaudited):	
Condensed Consolidated Statements of Income and Comprehensive Income For the Three Months and Nine Months Ended October 27, 2012 and October 29, 2011	2
Condensed Consolidated Balance Sheets At October 27, 2012, January 28, 2012 and October 29, 2011	3
Condensed Consolidated Statements of Cash Flows For the Nine Months Ended October 27, 2012 and October 29, 2011	4
Notes to Condensed Consolidated Financial Statements For the Three Months and Nine Months Ended October 27, 2012 and October 29, 2011	5 – 15
Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations	16 – 22
Item 3. Quantitative and Qualitative Disclosures About Market Risk	24
Item 4. Controls and Procedures	24
<b>PART II – OTHER INFORMATION</b>	
Item 1. Legal Proceedings	25
Item 1A. Risk Factors	25
Item 2. Unregistered Sales of Equity Securities and Use of	25
Table of Contents	3

Edgar Filing: CATO CORP - Form 10-Q

	Proceeds	
Item 3.	Defaults Upon Senior Securities	25
Item 4.	Mine Safety Disclosures	26
Item 5.	Other Information	26
Item 6.	Exhibits	26
Signatures		27 - 31

---

Table of Contents

**PART I FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****THE CATO CORPORATION****CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND****COMPREHENSIVE INCOME****(UNAUDITED)**

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>October 27, 2012</b>	<b>October 29, 2011</b>	<b>October 27, 2012</b>	<b>October 29, 2011</b>
	<b>(Dollars in thousands, except per share data)</b>			
<b>REVENUES</b>				
Retail sales	\$ 197,575	\$ 194,094	\$ 701,815	\$ 699,104
Other income (principally finance charges, late fees and layaway charges)	2,430	2,591	7,597	8,047
Total revenues	<b>200,005</b>	196,685	<b>709,412</b>	707,151
<b>COSTS AND EXPENSES, NET</b>				
Cost of goods sold (exclusive of depreciation shown below)	130,399	125,818	430,690	429,379
Selling, general and administrative (exclusive of depreciation shown below)	58,252	57,505	178,828	179,776
Depreciation	5,346	5,321	16,859	16,096
Interest and other income	(814)	(861)	(2,705)	(2,767)
Cost and expenses, net	<b>193,183</b>	187,783	<b>623,672</b>	622,484
Income before income taxes	<b>6,822</b>	8,902	<b>85,740</b>	84,667

Table of Contents

5

Income tax expense	<b>2,153</b>	2,797	<b>32,016</b>	29,938
--------------------	--------------	-------	---------------	--------