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onsolidated statements of income data. The unaudited quarterly information has been prepared on a basis consistent with the audited consolidated financial statements included elsewhere herein and includes all adjustments that we consider necessary for a fair presentation of the information shown. This information should be read in conjunction with our audited consolidated financial statements and the notes thereto. The operating results for any fiscal quarter are not indicative of the operating results for a full fiscal year or for any future period and there can be no assurance that any trend reflected in such results will continue in the future.

	Fiscal 2014			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter (1)
	(in thousands, except stores and per share data)			
Net sales	$ 162,932	$ 176,709	$ 213,341	$ 258,569
Gross profit	$ 50,533	$ 60,912	$ 77,860	$ 97,778
Operating profit	$ 3,713	$ 11,605	$ 24,975	$ 31,278
Net income	$ 2,496	$ 7,456	$ 15,727	$ 17,513
Basic earnings per share	$ 0.09	$ 0.26	$ 0.54	$ 0.60
Diluted earnings per share	$ 0.09	$ 0.26	$ 0.54	$ 0.60
Number of stores open at the end of the period	558	582	602	603
Comparable sales increase (decrease)	1.8%	3.4%	3.7%	8.3%

	Fiscal 2013			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter (2)
	(in thousands, except stores and per share data)			
Net sales	$ 148,496	$ 157,858	$ 191,145	$ 226,838
Gross profit	$ 47,972	$ 55,120	$ 70,789	$ 87,879
Operating profit	$ 4,029	$ 7,835	$ 20,678	$ 40,300
Net income	$ 2,498	$ 4,739	$ 11,860	$ 26,851
Basic earnings per share	$ 0.08	$ 0.16	$ 0.40	$ 0.90
Diluted earnings per share	$ 0.08	$ 0.16	$ 0.39	$ 0.89
Number of stores open at the end of the period	503	529	548	551
Comparable sales (decrease) increase	(0.7%)	0.9%	1.5%	(2.2%)

(1) Included in the results for the fourth quarter of fiscal 2014 is $6.4 million expense associated with the estimated future incentive payments to be paid in conjunction with our acquisition of Blue Tomato.

(2) Included in the results for the fourth quarter of fiscal 2013 are the following: a) a benefit of $5.8 million, of which $2.6 million related to prior fiscal years, for the reversal of the previously recorded expense associated with the future incentive payments to be paid in conjunction with our acquisition of Blue Tomato and b) a benefit of $3.3 million, of which $2.7 million related to prior fiscal years, representing the correction of an error related to our calculation to account for rent expense on a straight-line basis.

Table of Contents

Liquidity and Capital Resources

Our primary uses of cash are for operational expenditures, inventory purchases and capital investments, including new stores, store remodels, store relocations, store fixtures and ongoing infrastructure improvements. Additionally, we may use cash for the repurchase of our common stock. Historically, our main source of liquidity has been cash flows from operations.

The significant components of our working capital are inventories and liquid assets such as cash, cash equivalents, current marketable securities and receivables, reduced by accounts payable and accrued expenses. Our working capital position benefits from the fact that we generally collect cash from sales to customers the same day or within several days of the related sale, while we typically have longer payment terms with our vendors.

At January 31, 2015 and February 1, 2014, cash, cash equivalents and current marketable securities were $154.6 million and $117.2 million. Working capital, the excess of current assets over current liabilities, was $198.3 million at the end of fiscal 2014, an increase of 17.7% from $168.5 million at the end of fiscal 2013. The increase in cash, cash equivalents and current marketable securities in fiscal 2014 were due primarily to cash provided by operating activities of $89.9 million, partially offset by capital expenditures of $35.8 million due primarily to the opening of 56 new stores in fiscal 2014 and the $19.6 million repurchase of common stock.

The following table summarizes our cash flows from operating, investing and financing activities (in thousands):

Operating Activities

	Fiscal 2014	Fiscal 2013	Fiscal 2012
Total cash provided by (used in)			
Operating activities	$ 89,937	$ 66,894	$ 66,225
Investing activities	(73,873)	(49,619)	(41,079)
Financing activities	(13,933)	(15,233)	(22,519)
Effect of exchange rate changes on cash and cash equivalents	(903)	13	173
Increase in cash and cash equivalents	$ 1,228	$ 2,055	$ 2,800

Net cash provided by operating activities increased by $23.0 million in fiscal 2014 to $89.9 million from $66.9 million in fiscal 2013. Net cash provided by operating activities increased by $0.7 million in fiscal 2013 to $66.9 million from $66.2 million in fiscal 2012. Our operating cash flows result primarily from cash received from our customers, offset by cash payments we make for inventory, employee compensation, store occupancy expenses and other operational expenditures. Cash received from our customers generally corresponds to our net sales. Because our customers primarily use credit cards or cash to buy from us, our receivables from customers settle quickly. Changes to our operating cash flows have historically been driven primarily by changes in operating income, which is impacted by changes to non-cash items such as depreciation, amortization and accretion, deferred taxes and excess tax benefit from stock-based compensation, and changes to the components of working capital.

Investing Activities

Net cash used in investing activities was $73.9 million in fiscal 2014 related to $35.8 of capital expenditures primarily for new store openings and existing store remodels or relocations and $38.1 million in net purchases of marketable securities. Net cash used in investing activities was $49.6 million in fiscal 2013 related to $36.0 million of capital expenditures primarily for new store openings and existing store remodels or relocations and $13.6 million in net purchases of marketable securities and other investments. Net cash used in investing activities was $41.1 million in fiscal 2012 primarily related to $69.7 million cash paid (net of cash acquired) for the acquisition of Blue Tomato and $41.1 million of capital expenditures primarily for new store openings, existing store remodels or relocations and the construction of our new home office building in Lynnwood, Washington, partially offset by $70.7 million in net sales of marketable securities.

Financing Activities

Net cash used in financing activities in fiscal 2014 was $13.9 million, related to $19.6 million cash paid for repurchase of common stock and $2.1 million of net payments on long tem debt, revolving credit facilities, and other liabilities, partially offset by proceeds from stock-based compensation exercises and related tax benefits of $7.7 million. Net cash used in financing activities in fiscal 2013 was $15.2 million, primarily related to $17.6 million cash paid for repurchase of common stock, partially offset by proceeds from stock-based compensation exercises and related tax benefits of $2.6 million. Net cash used in financing activities in fiscal 2012 was $22.5 million, primarily related to $25.2 million cash paid for the repurchase of common stock, partially offset by proceeds from stock-based compensation exercises and related tax benefits of $3.0 million.

Sources of Liquidity

Our most significant sources of liquidity continue to be funds generated by operating activities and available cash, cash equivalents and current marketable securities. We expect these sources of liquidity and available borrowings under our revolving credit facility will be sufficient to meet our foreseeable cash requirements for operations and planned capital expenditures for at least the next twelve months. Beyond this time frame, if cash flows from operations are not sufficient to meet our capital requirements, then we will be required to obtain additional equity or debt financing in the future. However, there can be no assurance that equity or debt financing will be available to us when we need it or, if available, that the terms will be satisfactory to us and not dilutive to our then-current shareholders.

We maintain a secured credit agreement with Wells Fargo Bank, N.A., which provides us with a secured revolving credit facility until September 1, 2016 of up to $25.0 million, which, pursuant to an accordion feature, may be increased to $35.0 million at our discretion. The secured revolving credit facility provides for the issuance of a standby letter of credit in an amount not to exceed $5.0 million outstanding at any time and with a term not to exceed 365 days. The commercial line of credit provides for the issuance of a commercial letter of credit in an amount not to exceed $10.0 million and with terms not to exceed 120 days. The amount of borrowings available at any time under our secured revolving credit facility is reduced by the amount of standby and commercial letters of credit outstanding at that time. There were no borrowings outstanding under the secured revolving credit facility at January 31, 2015 and February 1, 2014. We had open commercial letters of credit outstanding under our secured revolving credit facility of $0.3 million at January 31, 2015 and February 1, 2014. The secured revolving credit facility bears interest at the Daily Three Month LIBOR rate plus 1.00%.

Additionally, we have revolving lines of credit of up to 9.0 million Euros and other long-term debt, the proceeds of which are used to fund certain international operations. There were no borrowings outstanding under these revolving lines of credit at January 31, 2015 and February 1, 2014. There were no borrowings under the other long-term debt at January 31, 2015 and $1.9 million at February 1, 2014.

Capital Expenditures

Our capital requirements include construction and fixture costs related to the opening of new stores and remodel and relocation expenditures for existing stores. Future capital requirements will depend on many factors, including the pace of new store openings, the availability of suitable locations for new stores and the nature of arrangements negotiated with landlords. In that regard, our net investment to open a new store has varied significantly in the past due to a number of factors, including the geographic location and size of the new store, and is likely to vary significantly in the future.

Table of Contents

During fiscal 2014, we spent $35.8 million on capital expenditures, which consisted of $31.5 million of costs related to investment in 56 new stores and 19 remodeled or relocated stores, $1.7 million associated with improvements to our websites and $2.6 million in other improvements.

During fiscal 2013, we spent $36.0 million on capital expenditures, which consisted of $30.2 million of costs related to investment in 59 new stores and 13 remodeled or relocated stores, $3.1 million associated with improvements to our websites and $2.7 million in other improvements.

During fiscal 2012, we spent $41.1 million on capital expenditures, which consisted of $28.7 million of costs related to investment in 53 new stores and 19 remodeled or relocated stores, $9.8 million of costs associated with the construction of our new home office building in Lynnwood, Washington and $2.6 million in other improvements.

In fiscal 2015, we expect to spend approximately $39 million to $41 million on capital expenditures, a majority of which will relate to leasehold improvements and fixtures for the approximately 57 new stores we plan to open in fiscal 2015 and remodels or relocations of existing stores. There can be no assurance that the number of stores that we actually open in fiscal 2015 will not be different from the number of stores we plan to open, or that actual fiscal 2015 capital expenditures will not differ from this expected amount.

Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with U.S. GAAP. In connection with the preparation of our consolidated financial statements, we are required to make assumptions and estimates about future events, and apply judgments that affect the reported amounts of assets, liabilities, revenue, expenses and the related disclosures. We base our assumptions, estimates and judgments on historical experience, current trends and other factors that we believe to be relevant at the time our consolidated financial statements are prepared. On a regular basis, we review the accounting policies, assumptions, estimates and judgments to ensure that our consolidated financial statements are presented fairly and in accordance with U.S. GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such differences could be material.

Our significant accounting policies are discussed in Note 2, Summary of Significant Accounting Policies, in the Notes to Consolidated Financial Statements found in Part IV Item 15 of this Form 10-K. We believe that the following accounting estimates are the most critical to aid in fully understanding and evaluating our reported financial results, and they require our most difficult, subjective or complex judgments, resulting from the need to make estimates about the effect of matters that are inherently uncertain.

Table of Contents

Description	Judgments and Uncertainties	Effect If Actual Results Differ From Assumptions
Valuation of Merchandise Inventories		
We value our inventory at the lower of cost or fair market value through the establishment of write-down and inventory loss reserves. Our write-down reserve represents the excess of the carrying value over the amount we expect to realize from the ultimate sales or other disposal of the inventory. Write-downs establish a new cost basis for our inventory. Subsequent changes in facts or circumstances do not result in the restoration of previously recorded write-downs or an increase in that newly established cost basis. Our inventory loss reserve represents anticipated physical inventory losses (shrinkage reserve) that have occurred since the last physical inventory.	Our write-down reserve contains uncertainties because the calculation requires management to make assumptions based on the current rate of sales, the age and profitability of inventory and other factors. Our shrinkage reserve contains uncertainties because the calculation requires management to make assumptions and to apply judgment regarding a number of factors, including historical percentages that can be affected by changes in merchandise mix and changes in actual shrinkage trends.	We have not made any material changes in the accounting methodology used to calculate our write-down and shrinkage reserves in the past three fiscal years. We do not believe there is a reasonable likelihood that there will be a material change in the future estimates or assumptions we use to calculate our inventory reserves. However, if actual results are not consistent with our estimates and assumptions, we may be exposed to losses or gains that could be material. A 10% decrease in the sales price of our inventory at January 31, 2015 would have decreased net income by $0.1 million in fiscal 2014. A 10% increase in actual physical inventory shrinkage rate at January 31, 2015 would have decreased net income by $0.2 million in fiscal 2014.
Fixed Assets		
We review the carrying value of our fixed assets for impairment whenever events or changes in circumstances indicate that the carrying value of such asset may not be recoverable. Recoverability of assets to be held and used is determined by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered impaired, the impairment recognized is measured by comparing the projected discounted cash flow of the asset to the asset carrying value. Declines in projected cash flow of the assets could result in impairment. The actual economic lives of our fixed assets may be different from our estimated useful lives, thereby resulting in a different carrying value. These evaluations could result in a change in the depreciable lives of these assets and therefore our depreciation expense in future periods.	Our impairment loss calculations contain uncertainties because they require management to make assumptions and to apply judgment to estimate future cash flows and asset fair values, including forecasting future sales, gross profit and operating expenses. Our fixed assets accounting methodology contains uncertainties because it requires management to make estimates with respect to the useful lives of our fixed assets that we believe are reasonable.	We do not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions we use to calculate fixed asset impairment losses. However, if actual results are not consistent with our estimates and assumptions, our operating results could be adversely affected. Although management believes that the current useful life estimates assigned to our fixed assets are reasonable, factors could cause us to change our estimates, thus affecting the future calculation of depreciation.

Table of Contents

Description	Judgments and Uncertainties	Effect If Actual Results Differ From Assumptions
Revenue Recognition		
Revenue is recognized upon purchase at our retail store locations. For our ecommerce sales, revenue is recognized upon estimated delivery to the customer. Revenue is recorded net of estimated and actual sales returns and deductions for promotions. Revenue is not recorded on the sale of gift cards. We record the sale of gift cards as a current liability and recognize revenue when a customer redeems a gift card. Additionally, the portion of gift cards that will not be redeemed (gift card breakage) is recognized in net sales after 24 months, at which time the likelihood of redemption is considered remote based on our historical redemption data.	Our revenue recognition accounting methodology contains uncertainties because it requires management to make assumptions regarding future sales returns and the amount and timing of gift cards projected to be redeemed by gift card recipients. Our estimate of the amount and timing of sales returns and gift cards to be redeemed is based primarily on historical transaction experience.	We have not made any material changes in the accounting methodology used to measure future sales returns or recognize revenue for our gift card program in the past three fiscal years. We do not believe there is a reasonable likelihood that there will be a material change in the future estimates or assumptions we use to recognize revenue. However, if actual results are not consistent with our estimates or assumptions, we may be exposed to losses or gains that could be material. A 10% increase in our sales return reserve at January 31, 2015 would have decreased net income by $0.1 million in fiscal 2014. A 10% increase in our unredeemed gift card breakage life at January 31, 2015 would have decreased net income by $0.3 million in fiscal 2014.
Stock-Based Compensation		
We grant restricted stock and non-qualified stock options to employees and non-employee directors. We determine the fair value of our restricted stock awards based on the closing market price of our stock on the grant date. In determining the fair value of our stock options, we use the Black-Scholes option pricing model. The estimated fair value of stock-based awards is recognized as compensation expense over the vesting period, net of estimated forfeitures.	The calculation of stock-based compensation expense requires management to make assumptions and to apply judgment to estimate the number of stock awards that will ultimately vest and to determine the fair value of our stock option awards. These assumptions and judgments include estimating future employee turnover rates and the inputs to the Black-Scholes option pricing model, including expected term. Changes in these assumptions can materially affect our stock-based compensation expense.	We do not believe there is a reasonable likelihood there will be a material change in the future estimates or assumptions we use to determine stock-based compensation expense. However, if actual results are not consistent with our estimates or assumptions, we may be exposed to changes in stock-based compensation expense that could be material.

Table of Contents

Description	Judgments and Uncertainties	Effect If Actual Results Differ From Assumptions
Accounting for Income Taxes		
As part of the process of preparing the consolidated financial statements, income taxes are estimated for each of the jurisdictions in which we operate. This process involves estimating actual current tax exposure together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are included on the consolidated balance sheets. Valuation allowances may be established when necessary to reduce deferred tax assets to the amount expected to be realized.	Significant judgment is required in evaluating our tax positions and determining our provision for income taxes. During the ordinary course of business, there are many transactions and calculations for which the ultimate tax determination is uncertain. For example, our effective tax rates could be adversely affected by earnings being lower than anticipated in jurisdictions where we have lower statutory rates and higher than anticipated in jurisdictions where we have higher statutory rates, by changes in the valuation of our deferred tax assets and liabilities or by changes in the relevant tax, accounting and other laws, regulations, principles and interpretations.	Although management believes that the income tax related judgments and estimates are reasonable, actual results could differ and we may be exposed to losses or gains that could be material. Upon income tax audit, any unfavorable tax settlement generally would require use of our cash and may result in an increase in our effective income tax rate in the period of resolution. A favorable tax settlement may be recognized as a reduction in our effective income tax rate in the period of resolution.
We regularly evaluate the likelihood of realizing the benefit for income tax positions we have taken in various federal, state and foreign filings by considering all relevant facts, circumstances and information available to us. If we believe it is more likely than not that our position will be sustained, we recognize a benefit at the largest amount that we believe is cumulatively greater than 50% likely to be realized.	Unrecognized tax benefits require significant management judgment regarding applicable statutes and their related interpretation and our particular facts and circumstances.	
Accounting for Contingencies		
We are subject to various claims and contingencies related to lawsuits, insurance, regulatory and other matters arising out of the normal course of business. We accrue a liability if the likelihood of an adverse outcome is probable and the amount is estimable. If the likelihood of an adverse outcome is only reasonably possible (as opposed to probable), or if an estimate is not determinable, we provide disclosure of a material claim or contingency in the Notes to the Consolidated Financial Statements.	Significant judgment is required in evaluating our claims and contingencies, including determining the probability that a liability has been incurred and whether such liability is reasonably estimable. The estimated accruals for claims and contingencies are made based on the best information available, which can be highly subjective.	Although management believes that the contingency related judgments and estimates are reasonable, our accrual for claims and contingencies could fluctuate as additional information becomes known, thereby creating variability in our results of operations from period to period. Additionally, actual results could differ and we may be exposed to losses or gains that could be material.

Table of Contents

Description	Judgments and Uncertainties	Effect If Actual Results Differ From Assumptions
Goodwill and Other Indefinite-lived Intangible Assets		
We test goodwill and other indefinite-lived intangible assets for impairment on an annual basis, or as indicators of impairment are present. We have an option to first assess qualitative factors for our goodwill impairment analysis to determine whether it is necessary to perform the quantitative test based on whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If we choose not to perform the qualitative test, or we determine that it is more likely than not that the fair value of the reporting unit is less than the carrying amount, we perform a quantitative two-step impairment test. We test our indefinite-lived assets by estimating the fair value of the asset and comparing that to the carrying value, an impairment loss is recorded for the amount that carrying value exceeds the estimated fair value. The fair value of the trade names and trademarks is determined using the relief from royalty method, which requires management to make assumptions and to apply judgment, including forecasting future sales, expenses, discount rates and royalty rates.	Our goodwill and other indefinite-lived intangible assets impairment loss calculations contain uncertainties because they require management to make assumptions in the qualitative assessment of relevant events and circumstances and estimating the fair value of our reporting units and indefinite-lived intangible assets, including estimating future cash flows and other inputs. These calculations contain uncertainties because they require management to make assumptions and to apply judgment to estimate economic factors and the profitability of future business operations and if necessary, the fair value of a reporting units assets and liabilities. Further, our ability to realize the future cash flows used in our fair value calculations is affected by factors such as changes in economic conditions, changes in our operating performance and changes in our business strategies.	We do not believe there is a reasonable likelihood that there will be a material change in the future estimates or assumptions we use to test for impairment losses on goodwill. Based on the results of our annual impairment test for goodwill and other indefinite-lived intangible assets, no impairment was recorded. We believe based on our assessment discussed above our goodwill and other indefinite-lived intangible assets are not at risk of impairment. However, if actual results are not consistent with our estimates or assumptions or there are significant changes in any of these estimates, projections and assumptions could have a material effect of the fair value of these assets in future measurement periods and result in an impairment which could materially affect our results of operations.
Future Incentive Payments		
In conjunction with our acquisition of Blue Tomato in fiscal 2012, there is the possibility of future incentive payments to the sellers and certain employees of Blue Tomato in an aggregate amount of up to 22.1 million Euros ($25.0 million, using the exchange rate as of January 31, 2015) to the extent that certain financial metrics are met for the fiscal year ending April 30, 2015 and the sellers and certain employees remain employed with Blue Tomato through April 30, 2015. Of the 22.1 million Euros ($25.0 million) future incentive payments, 17.1 million Euros ($19.4 million) is payable in cash, while 5.0 million Euros ($5.7 million) is payable in shares of our common stock. We estimate future incentive payments based on internal projections of future Blue Tomato financial performance.	Our future incentive payments calculation contains uncertainties because it requires management to make assumptions and to apply judgment to estimate future Blue Tomato performance, including forecasting future sales, gross profit, operating expenses, number of new stores and capital expenditures.	At January 31, 2015, we estimated that we will be obligated for future incentive payments of 6.0 million Euros ($6.8 million) of which 3.0 million ($3.4 million) is payable in cash and 3.0 million ($3.4 million) is payable in shares of common stock. Although management believes that the judgments and estimates related to the future incentive payments are probable at January 31, 2015, actual results through the end of the performance period could differ and we may be exposed to losses or gains related to the future incentive payments.

Table of Contents

Contractual Obligations and Commercial Commitments

There were no material changes outside the ordinary course of business in our contractual obligations during fiscal 2014. The following table summarizes the total amount of future payments due under our contractual obligations at January 31, 2015 (in thousands):

	Total	Fiscal 2015	Fiscal 2016 and Fiscal 2017	Fiscal 2018 and Fiscal 2019	Thereafter
Operating lease obligations (1)	$ 423,764	$ 61,452	$ 116,311	$ 94,528	$ 151,473
Purchase obligations (2)	192,949	192,949			
Total (3)	$ 616,713	$ 254,401	$ 116,311	$ 94,528	$ 151,473

(1) Amounts do not include contingent rent and real estate taxes, insurance, common area maintenance charges and other executory costs obligations. See Note 10, Commitments and Contingencies, in the Notes to Consolidated Financial Statements found in Part IV Item 15 of the Form 10-K, for additional information related to our operating leases.

(2) We have an option to cancel these commitments with no notice prior to shipment, except for certain private label purchase orders in which we are obligated to repay contractual amounts upon cancellation.

(3) The table above excludes the potential future incentive payments to the sellers and certain employees of Blue Tomato in an aggregate amount of up to 22.1 million Euros ($25.0 million, using the exchange rate as of January 31, 2015) to the extent that certain financial metrics are met and the sellers and certain employees remain employed with Blue Tomato through April 2015. At January 31, 2015, we estimated that we will be obligated for future incentive payments of 6.0 million ($6.8 million) of which 3.0 million ($3.4 million) to be paid in cash and 3.0 million ($3.4 million) to be paid in common stock. See Note 3, Business Combination, in the Notes to Consolidated Financial Statements found in Part IV Item 15 of the Form 10-K, for additional information related to the future incentive payments. Also excluded from the table above are unrecognized tax benefits of $0.5 million, as we are unable to reasonably estimate the timing of future cash payments, if any, for these liabilities.

Off-Balance Sheet Arrangements

At January 31, 2015, we did not have any off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of Regulation S-K.

Impact of Inflation/Deflation

We do not believe that inflation has had a material impact on our net sales or operating results for the past three fiscal years. However, substantial increases in costs, including the price of raw materials, labor, energy and other inputs used in the production of our merchandise, could have a significant impact on our business and the industry in the future. Additionally, while deflation could positively impact our merchandise costs, it could have an adverse effect on our average unit retail price, resulting in lower sales and operating results.

Recent Accounting Pronouncements

See Note 2, Significant Accounting Policies, in the Notes to Consolidated Financial Statements found in Part IV Item 15 of this Form 10-K.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

Our earnings are affected by changes in market interest rates as a result of our short-term and long-term marketable securities, which are primarily invested in state and local municipal securities and variable-rate demand notes, which have long-term nominal maturity dates but feature variable interest rates that reset at short-

40

term intervals. If our current portfolio average yield rate decreased by 10% in fiscal 2014, our net income would have decreased by $0.1 million. This amount is determined by considering the impact of the hypothetical yield rates on our cash, cash equivalents, short-term and long-term marketable securities balances and assumes no changes in our investment structure.

During different times of the year, due to the seasonality of our business, we may borrow under our revolving credit lines. To the extent we borrow under this revolving credit lines, we are exposed to the market risk related to changes in interest rates. At January 31, 2015, we had no borrowings outstanding under revolving lines of credit and other long-term debt.

Foreign Exchange Rate Risk

Our international subsidiaries operate with functional currencies other than the U.S. dollar. Therefore, we must translate revenues, expenses, assets and liabilities from functional currencies into U.S. dollars at exchange rates in effect during, or at the end of, the reporting period. The fluctuation in the value of the U.S. dollar against other currencies affects the reported amounts of revenues, expenses, assets and liabilities. As we expand our international operations, our exposure to exchange rate fluctuations will increase.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Information with respect to this item is set forth in Index to the Consolidated Financial Statements, found in Part IV Item 15 of this Form 10-K.

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures. We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer (CEO) and Chief Financial Officer (CFO), of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Securities Exchange Act Rule 13a-15(e)). Based on this evaluation, our CEO and CFO concluded that, as of January 31, 2015, our disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting. There has been no change in our internal control over financial reporting (as defined in Securities Exchange Act Rule 13a-15(f)) during the quarter ended January 31, 2015 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Management s Annual Report on Internal Control over Financial Reporting. The management of Zumiez Inc. (the Company) is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) of the Securities Exchange Act of 1934. The Company s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

This process includes policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only

Table of Contents

in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company s assets that could have a material effect on the financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements, and can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Furthermore, because of changes in conditions, the effectiveness of internal control may vary over time.

The Company s management, with the participation of the Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of the Company s internal control over financial reporting as of January 31, 2015. Management s assessment was based on criteria described in the Internal Control Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management concluded that the Company s internal control over financial reporting was effective as of January 31, 2015.

The effectiveness of the Company s internal control over financial reporting as of January 31, 2015 has been audited by Moss Adams LLP, the Company s independent registered public accounting firm, as stated in their report, which is included below.

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders

Zumiez Inc.

We have audited Zumiez Inc. s (the Company) internal control over financial reporting as of January 31, 2015, based on criteria established in *Internal Control Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management s Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Zumiez Inc. maintained, in all material respects, effective internal control over financial reporting as of January 31, 2015, based on criteria established in *Internal Control Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Zumiez Inc. as of January 31, 2015 and February 1, 2014, and the consolidated statements of income, comprehensive income, changes in shareholders equity, and cash flows for each of the three years in the period ended January 31, 2015, and our report dated March 17, 2015, expressed an unqualified opinion on those consolidated financial statements.

/s/ Moss Adams LLP

Seattle, Washington

March 17, 2015

Table of Contents

Item 9B. OTHER INFORMATION

None.

PART III

Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information regarding our directors and nominees for directorship is presented under the headings Election of Directors, in our definitive proxy statement for use in connection with our 2015 Annual Meeting of Shareholders (the Proxy Statement) that will be filed within 120 days after our fiscal year ended January 31, 2015 and is incorporated herein by this reference thereto. Information concerning our executive officers is set forth under the heading Executive Officers in our Proxy Statement, and is incorporated herein by reference thereto. Information regarding compliance with Section 16(a) of the Exchange Act, our code of conduct and ethics and certain information related to the Company s Audit Committee, Compensation Committee and Governance Committee is set forth under the heading Corporate Governance in our Proxy Statement, and is incorporated herein by reference thereto.

Item 11. EXECUTIVE COMPENSATION

Information regarding the compensation of our directors and executive officers and certain information related to the Company s Compensation Committee is set forth under the headings Executive Compensation, Director Compensation, Compensation Discussion and Analysis, Report of the Compensation Committee of the Board of Directors and Compensation Committee Interlocks and Insider Participation in our Proxy Statement, and is incorporated herein by this reference thereto.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS, AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS

Information with respect to security ownership of certain beneficial owners and management is set forth under the headings Security Ownership of Certain Beneficial Owners and Management and Equity Compensation Plan Information in our Proxy Statement, and is incorporated herein by this reference thereto.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information regarding certain relationships and related transactions and director independence is presented under the heading Corporate Governance in our Proxy Statement, and is incorporated herein by this reference thereto.

Item 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information concerning principal accounting fees and services is presented under the heading Fees Paid to Independent Registered Public Accounting Firm for Fiscal 2014 and 2013 in our Proxy Statement, and is incorporated herein by this reference thereto.

Table of Contents

PART IV

Item 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a)(1) Consolidated Financial Statements

(2) Consolidated Financial Statement Schedules:
All financial statement schedules are omitted because the required information is presented either in the consolidated financial statements or notes thereto, or is not applicable, required or material.

(3) Exhibits included or incorporated herein:
See Exhibit Index.

Table of Contents

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders

Zumiez Inc.

We have audited the accompanying consolidated balance sheets of Zumiez Inc. (the Company) as of January 31, 2015 and February 1, 2014, and the related consolidated statements of income, comprehensive income, changes in shareholders equity and cash flows for each of the three years in the period ended January 31, 2015. These consolidated financial statements are the responsibility of the Company s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Zumiez Inc. as of January 31, 2015 and February 1, 2014, and the consolidated results of its operations and its cash flows for each of the three years in the period ended January 31, 2015, in conformity with generally accepted accounting principles in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Zumiez Inc. s internal control over financial reporting as of January 31, 2015, based on criteria established in *Internal Control Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 17, 2015 expressed an unqualified opinion thereon.

/s/ Moss Adams LLP

Seattle, Washington

March 17, 2015

Table of Contents

ZUMIEZ INC.

CONSOLIDATED BALANCE SHEETS

(In thousands)

	January 31, 2015	February 1, 2014
Assets		
Current assets		
Cash and cash equivalents	$ 20,862	$ 19,634
Marketable securities	133,782	97,521
Receivables	12,653	10,294
Inventories	93,850	87,182
Prepaid expenses and other	11,651	10,021
Deferred tax assets	6,965	5,194
Total current assets	279,763	229,846
Fixed assets, net	135,642	127,343
Goodwill	55,852	64,195
Intangible assets, net	13,062	17,970
Long-term other assets	9,386	4,049
Total long-term assets	213,942	213,557
Total assets	$ 493,705	$ 443,403
Liabilities and Shareholders Equity		
Current liabilities		
Trade accounts payable	$ 32,094	$ 18,343
Accrued payroll and payroll taxes	13,047	10,581
Income taxes payable	4,651	4,696
Deferred rent and tenant allowances	7,083	6,478
Other liabilities	24,572	21,276
Total current liabilities	81,447	61,374
Long-term deferred rent and tenant allowances	42,553	37,658
Long-term deferred tax liabilities	5,738	4,649
Long-term debt and other liabilities	4,443	4,068
Total long-term liabilities	52,734	46,375
Total liabilities	134,181	107,749
Commitments and contingencies (Note 10)		
Shareholders equity		
Preferred stock, no par value, 20,000 shares authorized; none issued and outstanding		
Common stock, no par value, 50,000 shares authorized; 29,418 shares issued and outstanding at January 31, 2015 and 29,619 shares issued and outstanding at February 1, 2014	129,094	114,983
Accumulated other comprehensive income	(11,278)	4,710
Retained earnings	241,708	215,961
Total shareholders equity	359,524	335,654

Total liabilities and shareholders equity	$ 493,705	$ 443,403

See accompanying notes to consolidated financial statements

48

Table of Contents

ZUMIEZ INC.

CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except per share amounts)

	Fiscal Year Ended January 31, 2015	February 1, 2014	February 2, 2013
Net sales	$ 811,551	$ 724,337	$ 669,393
Cost of goods sold	524,468	462,577	428,109
Gross profit	287,083	261,760	241,284
Selling, general and administrative expenses	215,512	188,918	172,742
Operating profit	71,571	72,842	68,542
Interest income, net	637	711	1,410
Other (expense) income, net	(557)	(1,589)	327
Earnings before income taxes	71,651	71,964	70,279
Provision for income taxes	28,459	26,016	28,115
Net income	$ 43,192	$ 45,948	$ 42,164
Basic earnings per share	$ 1.50	$ 1.54	$ 1.37
Diluted earnings per share	$ 1.47	$ 1.52	$ 1.35
Weighted average shares used in computation of earnings per share:			
Basic	28,871	29,810	30,742
Diluted	29,288	30,206	31,273

See accompanying notes to consolidated financial statements

Table of Contents

ZUMIEZ INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands)

	Fiscal Year Ended		
	January 31, 2015	**February 1, 2014**	**February 2, 2013**
Net income	$ 43,192	$ 45,948	$ 42,164
Other comprehensive (loss) income, net of tax and reclassification adjustments:			
Foreign currency translation	(15,995)	(1,231)	6,040
Net change in unrealized gain/loss on available-for-sale investments	7	(69)	(165)
Other comprehensive (loss) income, net	(15,988)	(1,300)	5,875
Comprehensive income	**$ 27,204**	**$ 44,648**	**$ 48,039**

See accompanying notes to consolidated financial statements

50

Table of Contents

ZUMIEZ INC.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY

(In thousands)

	Common Stock		Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
	Shares	Amount			
Balance at January 28, 2012	31,170	$ 99,412	$ 135	$ 172,730	$ 272,277
Net income				42,164	42,164
Other comprehensive income, net			5,875		5,875
Issuance and exercise of stock-based compensation, including net tax benefit of $2,094	209	2,952			2,952
Stock-based compensation expense		5,996			5,996
Repurchase of common stock	(1,265)			(25,843)	(25,843)
Balance at February 2, 2013	30,114	$ 108,360	$ 6,010	$ 189,051	$ 303,421
Net income				45,948	45,948
Other comprehensive income, net			(1,300)		(1,300)
Issuance and exercise of stock-based compensation, including net tax benefit of $1,232	344	2,529			2,529
Stock-based compensation expense		4,094			4,094
Repurchase of common stock	(839)			(19,038)	(19,038)
Balance at February 1, 2014	29,619	$ 114,983	$ 4,710	$ 215,961	$ 335,654
Net income				43,192	43,192
Other comprehensive loss, net			(15,988)		(15,988)
Issuance and exercise of stock-based compensation, including net tax benefit of $1,355	557	6,591			6,591
Stock-based compensation expense		7,520			7,520
Repurchase of common stock	(758)			(17,445)	(17,445)
Balance at January 31, 2015	29,418	$ 129,094	$ (11,278)	$ 241,708	$ 359,524

See accompanying notes to consolidated financial statements

Table of Contents

ZUMIEZ INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

		Fiscal Year Ended	
	January 31, 2015	February 1, 2014	February 2, 2013
Cash flows from operating activities:			
Net income	$ 43,192	$ 45,948	$ 42,164
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation, amortization and accretion	29,167	26,596	22,957
Deferred taxes	(610)	(978)	(1,630)
Stock-based compensation expense	7,520	4,094	5,996
Excess tax benefit from stock-based compensation	(1,355)	(1,232)	(2,094)
Lease termination costs	(55)	405	1,397
Other	1,164	1,842	389
Changes in operating assets and liabilities:			
Receivables	(2,990)	(739)	(2,568)
Inventories	(10,850)	(9,968)	(2,987)
Prepaid expenses and other	(4,702)	(1,789)	(1,125)
Trade accounts payable	14,744	1,714	(5,626)
Accrued payroll and payroll taxes	2,718	(426)	1,207
Income taxes payable	(23)	(1,484)	1,843
Deferred rent and tenant allowances	5,937	2,367	5,469
Other liabilities	6,080	544	833
Net cash provided by operating activities	89,937	66,894	66,225
Cash flows from investing activities:			
Additions to fixed assets	(35,758)	(35,969)	(41,070)
Acquisitions, net of cash acquired			(70,711)
Purchases of marketable securities and other investments	(125,971)	(124,129)	(121,003)
Sales and maturities of marketable securities and other investments	87,856	110,479	191,705
Net cash used in investing activities	(73,873)	(49,619)	(41,079)
Cash flows from financing activities:			
Proceeds from long-term debt and revolving credit facilities	6,943	4,182	
Payments on long-term debt, revolving credit facilities, and other liabilities	(9,009)	(4,488)	(258)
Repurchase of common stock	(19,557)	(17,556)	(25,213)
Proceeds from exercise of stock-based compensation, net of withholding tax payments	6,335	1,397	858
Excess tax benefit from stock-based compensation	1,355	1,232	2,094
Net cash used in financing activities	(13,933)	(15,233)	(22,519)
Effect of exchange rate changes on cash and cash equivalents	(903)	13	173
Net increase in cash and cash equivalents	1,228	2,055	2,800
Cash and cash equivalents, beginning of period	19,634	17,579	14,779
Cash and cash equivalents, end of period	$ 20,862	$ 19,634	$ 17,579
Supplemental disclosure on cash flow information:			

Cash paid during the period for income taxes	$ 28,770	$ 28,105	$ 27,840
Accrual for purchases of fixed assets	2,372	1,491	1,942
Accrual for repurchase of common stock		2,112	630

See accompanying notes to consolidated financial statements

52

Table of Contents

ZUMIEZ INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Nature of Business and Basis of Presentation

Nature of Business Zumiez Inc., including its wholly-owned subsidiaries, (the Company, we, us, its and our) is a leading multi-channel sp retailer of apparel, footwear, accessories and hardgoods rooted in youth culture as expressed through music, art, fashion and action sports lifestyle for young men and women. At January 31, 2015, we operated 603 stores; 550 in the United States (U.S.), 35 in Canada and 18 in Europe. We operate under the names Zumiez and Blue Tomato. Additionally, we operate ecommerce websites at www.zumiez.com and www.blue-tomato.com.

Fiscal Year We use a fiscal calendar widely used by the retail industry that results in a fiscal year consisting of a 52- or 53-week period ending on the Saturday closest to January 31. Each fiscal year consists of four 13-week quarters, with an extra week added to the fourth quarter every five or six years. The fiscal years ended January 31, 2015 and February 1, 2013 were 52-week periods. The fiscal year ended February 2, 2013 was a 53-week period.

Basis of Presentation The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP). The consolidated financial statements include the accounts of Zumiez Inc. and its wholly-owned subsidiaries. All significant intercompany transactions and balances are eliminated in consolidation.

Correction of an Error Included in cost of goods sold for the fiscal year ended February 1, 2014 was a $2.7 million benefit representing the correction of an error in prior periods related to our calculation to account for rent expense on a straight-line basis. The correction was not material to any previously reported financial period or to the fiscal year ended February 1, 2014.

2. Summary of Significant Accounting Policies

Use of Estimates The preparation of financial statements in conformity with U.S. GAAP requires estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements as well as the reported amounts of revenues and expenses during the reporting period. These estimates can also affect supplemental information disclosed by us, including information about contingencies, risk and financial condition. Actual results could differ from these estimates and assumptions.

Fair Value of Financial Instruments We disclose the estimated fair value of our financial instruments. Financial instruments are generally defined as cash, evidence of ownership interest in an entity or a contractual obligation that both conveys to one entity a right to receive cash or other financial instruments from another entity and imposes on the other entity the obligation to deliver cash or other financial instruments to the first entity. Our financial instruments, other than those presented in Note 11, Fair Value Measurements, include cash and cash equivalents, receivables, payables and other liabilities. The carrying amounts of cash and cash equivalents, receivables, payables and other liabilities approximate fair value because of the short-term nature of these instruments.

Cash and Cash Equivalents We consider all highly liquid investments with original maturity of three months or less when purchased to be cash equivalents.

Concentration of Risk We maintain our cash and cash equivalents in accounts with major financial institutions in the form of demand deposits, money market accounts and state and local municipal securities. Deposits in these financial institutions may exceed the amount of federal deposit insurance provided on such deposits. We have not experienced any losses on our deposits of cash and cash equivalents.

Table of Contents

Marketable Securities Our marketable securities primarily consist of state and local municipal securities and variable-rate demand notes. Variable-rate demand notes are considered highly liquid. Although the variable-rate demand notes have long-term nominal maturity dates, the interest rates generally reset weekly. Despite the long-term nature of the underlying securities of the variable-rate demand notes, we have the ability to quickly liquidate these securities, which have an embedded put option that allows the bondholder to sell the security at par plus accrued interest.

Investments are considered to be impaired when a decline in fair value is determined to be other-than-temporary. If the cost of an investment exceeds its fair value, we evaluate information about the underlying investment that is publicly available such as analyst reports, applicable industry data and other pertinent information and assess our intent and ability to hold the security. For fixed-income securities, we also evaluate whether we have plans to sell the security or it is more likely than not we will be required to sell the security before recovery. The investment would be written down to its fair value at the time the impairment is deemed to have occurred and a new cost basis is established. Future adverse changes in market conditions, continued poor operating results of underlying investments or other factors could result in further losses that may not be reflected in an investment s current carrying value, possibly requiring an additional impairment charge in the future.

Inventories Merchandise inventories are valued at the lower of cost or fair market value. The cost of merchandise inventories are based upon an average cost methodology. Merchandise inventories may include items that have been written down to our best estimate of their net realizable value. Our decisions to write-down our merchandise inventories are based on their current rate of sale, the age of the inventory, the profitability of the inventory and other factors. We have reserved for inventory at January 31, 2015 and February 1, 2014 in the amounts of $3.7 million and $2.9 million. The inventory reserve includes inventory whose estimated market value is below cost and an estimate for inventory shrinkage. We estimate an inventory shrinkage reserve for anticipated losses for the period. Shrinkage refers to a reduction in inventory due to shoplifting, employee theft and other matters. The inventory related to these reserves is not marked up in subsequent periods.

Fixed Assets Fixed assets primarily consist of leasehold improvements, fixtures, land, buildings, computer equipment, software and store equipment. Fixed assets are stated at cost less accumulated depreciation utilizing the straight-line method over the assets estimated useful lives. The useful lives of our major classes of fixed assets are as follows:

Leasehold improvements	Lesser of 10 years or the term of the lease
Fixtures	3 to 7 years
Computer equipment, software, store equipment & other	3 to 5 years
Buildings and building and land improvements	15 to 39 years

The cost and related accumulated depreciation of assets sold or otherwise disposed of is removed from the accounts and the related gain or loss is recorded in selling, general and administrative expenses on the consolidated statements of income.

Valuation of Long-Lived Assets We review the carrying value of long-lived assets for impairment when factors and circumstances indicate that the carrying values may not be recoverable. Recoverability of assets to be held and used is determined by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered impaired, the impairment recognized is measured by comparing projected discounted cash flow of the asset to the asset carrying values. The estimation of future cash flows from operating activities requires significant judgments of factors that include future sales, gross profit and operating expenses. Impairment charges are included in selling, general and administrative expenses on the consolidated statements of income.

Goodwill Goodwill represents the excess of purchase price over the fair value of acquired tangible and identifiable intangible net assets. We test goodwill for impairment on an annual basis or more frequently if

Table of Contents

indicators of impairment are present. We perform our annual impairment measurement test on the first day of the fourth quarter. Events that may trigger an early impairment review include significant changes in the current business climate, future expectations of economic conditions, declines in our operating results of our reporting units, or an expectation that the carrying amount may not be recoverable.

We have an option to test goodwill for impairment by first performing a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than the carrying amount. If it is more likely than not that the fair value of the reporting unit is less than the carrying amount or if we choose not to perform the qualitative assessment, we perform a quantitative two-step impairment test. The first step compares the fair value of the reporting unit with its carrying amount of net assets, including goodwill. If the carrying amount exceeds fair value, then the second step of the impairment test is performed to measure the amount of impairment loss, if any. The second step includes estimating the fair value of the reporting unit by taking all of the tangible and intangible assets of the reporting unit as if the reporting unit had been acquired in a business combination. Then, the implied fair value of the reporting unit s goodwill is compared to the carrying amount of that goodwill. If the carrying amount of the reporting unit s goodwill exceeds the implied fair value of the goodwill, we recognize an impairment loss in an amount equal to the excess, not to exceed the carrying amount.

We generally determine the fair value of each of our reporting units based on a blended analysis of the present value of future discounted cash flows and market valuation approach using a multiple of an average annual earnings. Key assumptions used in this calculation include revenue growth, operating expenses, long-term rate of growth and the probability of the reporting unit, working capital impacts and a discount rate that we believe a buyer would assume when determining a purchase price for the reporting unit. Estimates of revenue growth and operating expenses are based on internal projections considering a reporting unit s past performance and forecasted growth, local market economics and the local business environment impacting the reporting unit s performance. These estimates are highly subjective judgments and can be significantly impacted by changes in the business or economic conditions.

Intangible Assets Our intangible assets consist of trade names and trademarks with indefinite lives and certain definite-lived intangible assets. We test our indefinite-lived intangible assets for impairment on an annual basis, or more frequently if indicators of impairment are present. We test our indefinite-lived assets by estimating the fair value of the asset and comparing that to the carrying value, an impairment loss is recorded for the amount that carrying value exceeds the estimated fair value. The fair value of the trade names and trademarks is determined using the relief from royalty method. This method assumes that the trade name and trademarks have value to the extent that their owner is relieved of the obligation to pay royalties for the benefits received from them. The assumptions used in this method requires management judgment and estimates in forecasting future sales, expenses, discount rates, and royalty rates.

Definite-lived intangible assets, which consist of developed technology and customer relationships, are amortized using the straight-line method over their estimated useful lives. Additionally, we test the definite-lived intangible assets when facts and circumstances indicate that the carrying values may not be recoverable. We first assess the recoverability of our definite-lived intangible assets by comparing the undiscounted cash flows of the definite-lived asset less its carrying value. If the undiscounted cash flows are less than the carrying value, we then determine the estimated fair value of our definite-lived asset by taking the estimated future operating cash flows derived from the operation to which the asset relates over its remaining useful life, using a discounted cash flow analysis and comparing it to the carrying value. Any impairment would be measured as the difference between the carrying amount and the estimated fair value. Changes in any of these estimates, projections and assumptions could have a material effect of the fair value of these assets in future measurement periods and result in an impairment which could materially affect our results of operations.

Deferred Rent, Rent Expense and Tenant Allowances We lease our stores and certain corporate and other operating facilities under operating leases. A majority of our leases provide for ongoing co-tenancy requirements or early cancellation clauses that would further lower rental rates, or permit lease terminations, or

Table of Contents

both, in the event that co-tenants cease to operate for specific periods or if certain sales levels are not met in specific periods. Most of the store leases require payment of a specified minimum rent and a contingent rent based on a percentage of the store s net sales in excess of a specified threshold, as well as real estate taxes, insurance, common area maintenance charges and other executory costs. Most of the lease agreements have defined escalating rent provisions, which are straight-lined over the term of the related lease. We recognize rent expense over the term of the lease, plus the construction period prior to occupancy of the retail location. For certain locations, we receive tenant allowances and report these amounts as a liability, which is amortized as a reduction to rent expense over the term of the lease.

Claims and Contingencies We are subject to various claims and contingencies related to lawsuits, insurance, regulatory and other matters arising out of the normal course of business. We accrue a liability if the likelihood of an adverse outcome is probable and the amount is estimable. If the likelihood of an adverse outcome is only reasonably possible (as opposed to probable), or if an estimate is not determinable, we provide disclosure of a material claim or contingency in the Notes to the Consolidated Financial Statements.

Revenue Recognition Sales are recognized upon purchase at our retail store locations. For our ecommerce sales, revenue is recognized upon estimated delivery to the customer. Taxes collected from our customers are recorded on a net basis. We record the sale of gift cards as a current liability and recognize revenue when a customer redeems a gift card. Additionally, the portion of gift cards that will not be redeemed (gift card breakage) is recognized in net sales after 24 months, at which time the likelihood of redemption is considered remote based on our historical redemption patterns. For the fiscal years ended January 31, 2015, February 1, 2014 and February 2, 2013, we recorded net sales related to gift card breakage income of $0.9 million, $0.8 million and $0.7 million. Revenue is recorded net of estimated and actual sales returns and deductions for promotions. We accrue for estimated sales returns by customers based on historical sales return results. The allowance for sales returns at January 31, 2015 and February 1, 2014 was $2.0 million and $1.6 million.

We have a customer loyalty program, the Zumiez Stash, which allows members to earn points for purchases or performance of certain activities. The points can be redeemed for a broad range of rewards, including product and experiential rewards. Points earned for purchases are recorded as a reduction of net sales based on the fair value of the points at the time the points are earned and the revenue is recognized upon redemption of points for rewards. Points earned for the performance of activities are recorded as marketing expense based on the estimated cost of the points.

Cost of Goods Sold Cost of goods sold consists of branded merchandise costs and our private label merchandise costs including design, sourcing, importing and inbound freight costs. Our cost of goods sold also includes shrinkage, buying, occupancy, ecommerce fulfillment, distribution and warehousing costs (including associated depreciation) and freight costs for store merchandise transfers. Cash consideration received from vendors is reported as a reduction of cost of goods sold if the inventory has sold, a reduction of the carrying value of the inventory if the inventory is still on hand, or a reduction of selling, general and administrative expense if the amounts are reimbursements of specific, incremental and identifiable costs of selling the vendors products.

Shipping Revenue and Costs We include shipping revenue related to ecommerce sales in net sales and the related freight cost is charged to cost of goods sold.

Selling, General and Administrative Expense Selling, general and administrative expenses consist primarily of store personnel wages and benefits, administrative staff and infrastructure expenses, freight costs for merchandise shipments from the distribution centers to the stores, store supplies, depreciation on fixed assets at the home office and stores, facility expenses, training expenses and advertising and marketing costs. Credit card fees, insurance, public company expenses, legal expenses, amortization of intangibles assets and other miscellaneous operating costs are also included in selling, general and administrative expenses.

Advertising We expense advertising costs as incurred, except for catalog costs, which are expensed once the catalog is mailed. Advertising expenses are net of sponsorships and vendor reimbursements. Advertising expense was $9.4 million, $8.7 million and $6.0 million for the fiscal years ended January 31, 2015, February 1, 2014 and February 2, 2013.

Table of Contents

Future Incentive Payments In conjunction with our acquisition of Blue Tomato during the fiscal year ended February 2, 2013, there is the possibility of future incentive payments to the sellers and certain employees of Blue Tomato in an aggregate amount of up to 22.1 million Euros ($25.0 million, using the exchange rate as of January 31, 2015) to the extent that certain financial metrics are met and the sellers and certain employees remain employed with Blue Tomato through April 2015. We estimate future incentive payments based on internal projections of future Blue Tomato financial performance.

Stock-Based Compensation We account for stock-based compensation by recording the estimated fair value of stock-based awards granted as compensation expense over the vesting period, net of estimated forfeitures. Stock-based compensation expense is attributed to earnings using an accelerated method for stock options and a straight-line method for restricted stock. We estimate forfeitures of stock-based awards based on historical experience and expected future activity.

The fair value of restricted stock awards is measured based on the closing price of our common stock on the date of grant. The fair value of stock option grants is estimated on the date of grant using the Black-Scholes option pricing model based on the following assumptions:

Volatility This is a measure of the amount by which a stock price has fluctuated or is expected to fluctuate. We use actual daily historical changes in the market value of our stock equal to the expected term of the option.

Risk-free interest rate This is the U.S. Treasury rate as of the grant date having a term equal to the expected term of the option.

Expected term The expected term was calculated using the simplified method. Under this method, the expected term is equal to the sum of the weighted average vesting term plus the original contractual term divided by two. We have elected this method as we have concluded that we do not have sufficient historical exercise data to provide a reasonable basis upon which to estimate expected term due to the limited period of time our equity shares have been publicly traded.

Dividend yield We do not have plans to pay dividends in the foreseeable future.

The following weighted-average assumptions were used to estimate the fair value of stock options granted:

		Fiscal Year Ended	
	January 31, 2015	**February 1, 2014**	**February 2, 2013**
Dividend yield	0.0%	0.0%	0.0%
Volatility rate	63.7%	66.4%	66.7%
Weighted-average expected life (in years)	6.25	6.25	6.25
Weighted-average risk-free interest rate	1.9%	1.1%	1.1%
Weighted-average fair value per share of stock options granted	$ 15.26	$ 15.07	$ 19.40

Common Stock Share Repurchases We may repurchase shares of our common stock under authorizations made from time to time by our Board of Directors. Under applicable Washington State law, shares repurchased are retired and not displayed separately as treasury stock on the consolidated financial statements. Instead, the value of repurchased shares is deducted from retained earnings.

Income Taxes We use the asset and liability method of accounting for income taxes. Using this method, deferred tax assets and liabilities are recorded based on the differences between the financial reporting and tax basis of assets and liabilities. The deferred tax assets and liabilities are calculated using the enacted tax rates and laws that are expected to be in effect when the differences are expected to reverse. We routinely evaluate the likelihood of realizing the benefit of our deferred tax assets and may record a valuation allowance if, based on all available evidence, it is determined that it is more likely than not that all or some portion of the deferred tax benefit will not to be realized.

Table of Contents

We regularly evaluate the likelihood of realizing the benefit for income tax positions that we have taken in various federal, state and foreign filings by considering all relevant facts, circumstances and information available. If we believe it is more likely than not that our position will be sustained, we recognize a benefit at the largest amount that we believe is cumulatively greater than 50% likely to be realized. Interest and penalties related to income tax matters are classified as a component of income tax expense. Unrecognized tax benefits are recorded in other liabilities and long-term debt and other liabilities on the consolidated balance sheets.

Our tax provision for interim periods is determined using an estimate of our annual effective rate, adjusted for discrete items, if any, that are taken into account in the relevant period. As the fiscal year progresses, we periodically refine our estimate based on actual events and earnings by jurisdiction. This ongoing estimation process can result in changes to our expected effective tax rate for the full fiscal year. When this occurs, we adjust the income tax provision during the quarter in which the change in estimate occurs so that our year-to-date provision equals our expected annual rate.

Earnings per Share Basic earnings per share is based on the weighted average number of common shares outstanding during the period. The dilutive effect of stock options and restricted stock is applicable only in periods of net income. Diluted earnings per share is based on the weighted average number of common shares and common share equivalents outstanding during the period. Common share equivalents included in the computation represent shares issuable upon assumed exercise of outstanding stock options, employee stock purchase plan funds held to acquire stock and non-vested restricted stock. Potentially anti-dilutive securities not included in the calculation of diluted earnings per share are options to purchase common stock where the option exercise price is greater than the average market price of our common stock during the period reported.

Foreign Currency Translation Assets and liabilities denominated in foreign currencies were translated into U.S. dollars, the reporting currency, at the exchange rate prevailing at the balance sheet date. Revenue and expenses denominated in foreign currencies were translated into U.S. dollars at the monthly average exchange rate for the period and the translation adjustments are reported as an element of accumulated other comprehensive income on the consolidated balance sheets.

Segment Reporting We identify our operating segments according to how our business activities are managed and evaluated. Our operating segments have been aggregated and are reported as one reportable segment based on the similar nature of products sold, production, merchandising and distribution processes involved, target customers and economic characteristics.

Recently Adopted Accounting Standards In August 2014, the Financial Accounting Standards Board (FASB) issued new guidance which provides details on when and how to disclose going concern uncertainties. The new standard requires management to perform interim and annual assessments of an entity s ability to continue as a going concern within one year and to provide certain footnote disclosures if conditions or events raise substantial doubt about an entity s ability to continue as a going concern. The new standard is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2016, with early adoption permitted. We do not expect the adoption of this standard to have a material impact on our consolidated financial statements.

In June 2014, the FASB issued guidance which requires that a performance target that affects vesting and could be achieved after the requisite service period be treated as a performance condition. The guidance allows for a prospective adoption to all awards granted or modified after the effective date or retrospective adoption to all awards with performance targets that are outstanding as of the beginning of the earliest annual period presented in the financial statement and to all new or modified awards thereafter. This guidance is effective for fiscal years and interim periods within those years beginning after December 15, 2015, with early adoption permitted. We early adopted this guidance for the fiscal quarter ended August 2, 2014 and the adoption did not have a material impact on our consolidated financial statements.

Table of Contents

In May 2014, the FASB issued a comprehensive new revenue recognition standard. The new standard allows for a full retrospective approach to transition or a modified retrospective approach. This guidance is effective for fiscal years and interim periods within those years beginning after December 15, 2016. We will adopt this guidance for the fiscal quarter ending April 29, 2017. We are currently evaluating the method of adoption we plan to use and the effect the standard is expected to have on our financial position, results of operations and cash flows.

In April 2014, the FASB issued guidance that changes the criteria for reporting discontinued operations, as well as requiring new disclosures about discontinued operations and disposals of components of an entity that do not qualify for discontinued operations reporting. This guidance is effective for fiscal years beginning after December 15, 2014, with early adoption permitted for disposals that have not been reported in financial statements previously issued. We will adopt this guidance for the fiscal quarter ending May 2, 2015 and we do not expect the adoption will have a material impact on our consolidated financial statements.

3. Business Combination

Blue Tomato On July 4, 2012, we acquired 100% of the outstanding stock of Blue Tomato for cash consideration of 59.5 million Euros ($74.8 million). Blue Tomato is a leading European multi-channel retailer for board sports and related apparel and footwear and the acquisition allows us to enter into the European marketplace.

In addition, there is the possibility of future incentive payments to the sellers and certain employees of Blue Tomato in an aggregate amount of up to 22.1 million Euros ($25.0 million, using the exchange rate as of January 31, 2015) to the extent that certain financial metrics are met related to (i) the obtainment of certain EBITDA performance of Blue Tomato for the twelve months ending April 30, 2015 and (ii) the opening and performance of certain defined incremental stores in the European market by April 30, 2015. The payout of the financial incentive payments requires that the sellers and certain employees remain employed with Blue Tomato through April 30, 2015. Of the 22.1 million Euros future incentive payments, 17.1 million Euros ($19.4 million) is payable in cash, while 5.0 million Euros ($5.7 million) is payable in shares of our common stock. Our future incentive payments calculation requires estimates of future Blue Tomato performance, including forecasting future sales, gross profit, operating expenses, number of new stores and capital expenditures. We account for the estimated future incentive payments as compensation expense, which is included in selling, general and administrative expense on the consolidated statements of income, and recognize this amount ratably over the term of service through April 2015.

At January 31, 2015, we estimated that it was probable that Blue Tomato will achieve the metrics related to the opening and performance of certain defined incremental stores and we will be obligated to pay 6.0 million Euros ($6.8 million) for future incentive payments of which 3.0 million Euros ($3.4 million) will be payable in cash and 3.0 million Euros ($3.4 million) will be payable in shares of our common stock. This was primarily due to strong performance in the European operations, driven by a $15.7 million or 32.4% increase in net sales during fiscal 2014 compared to fiscal 2013, increased performance of certain incremental stores, and strengthening macro-economic factors. Our Blue Tomato operations are seasonal, with the largest portion of net sales and net income occurring in the fourth fiscal quarter. As a result of strong performance in the fourth quarter of fiscal 2014, driven by sales of winter related goods, we estimated at January 31, 2015 that the Blue Tomato business will achieve the metrics related to the opening and performance of certain defined incremental stores. For the fiscal year ended January 31, 2015, we recorded an expense for future incentive payments of $6.4 million.

At February 1, 2014, we estimated that we would not be obligated for future incentive payments and reversed $5.8 million of previously recorded expense associated with the future incentive payments. We determined in the fourth quarter of fiscal 2013 based on the internal projections, which considered historical performance, forecasted store openings and macro-economic factors, that the financial metrics were not expected to be met to achieve the payout of the financial incentive payments. Due to the difficult retail environment in fiscal 2013 and the fiscal 2014 outlook, we did not anticipate we would be obligated to pay a portion of the future incentive payments. For the fiscal year ended February 2, 2013, we recorded an expense for future incentive payments of $2.3 million.

Table of Contents

4. Goodwill and Intangible Assets

The following tables summarize the changes in the carrying amount of goodwill (in thousands):

Balance as of February 2, 2013	$ 64,576
Effects of foreign currency translation	(381)
Balance as of February 1, 2014	64,195
Effects of foreign currency translation	(8,343)
Balance as of January 31, 2015	$ 55,852

There was no impairment of goodwill for the fiscal years ended January 31, 2015, February 1, 2014 and February 2, 2013.

The following table summarizes the gross carrying amount, accumulated amortization and the net carrying amount of intangible assets (in thousands):

	January 31, 2015		
	Gross Carrying Amount	Accumulated Amortization	Intangible Assets, Net
Intangible assets not subject to amortization:			
Trade names and trademarks	$ 12,226	$	$ 12,226
Intangible assets subject to amortization:			
Developed technology	3,396	2,925	471
Customer relationships	2,516	2,151	365
Total intangible assets	$ 18,138	$ 5,076	$ 13,062

	February 1, 2014		
	Gross Carrying Amount	Accumulated Amortization	Intangible Assets, Net
Intangible assets not subject to amortization:			
Trade names and trademarks	$ 14,615	$	$ 14,615
Intangible assets subject to amortization:			
Developed technology	4,060	2,143	1,917
Customer relationships	3,008	1,570	1,438
Total intangible assets	$ 21,683	$ 3,713	$ 17,970

There was no impairment of intangible assets for the fiscal years ended January 31, 2015, February 1, 2014 and February 2, 2013.

Amortization expense of intangible assets for the fiscal years ended January 31, 2015, February 1, 2014 and February 2, 2015 was $2.3 million, $2.3 million and $1.3 million. Amortization expense of intangible assets is recorded in selling, general and administrative expense on the consolidated statements of income. The future amortization expense of intangible assets will be $0.8 million in fiscal 2015.

Table of Contents

5. Cash, Cash Equivalents and Marketable Securities

The following tables summarize the estimated fair value of our cash, cash equivalents and marketable securities and the gross unrealized holding gains and losses (in thousands):

	January 31, 2015			
	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
Cash and cash equivalents:				
Cash	$ 10,251	$	$	$ 10,251
Money market funds	7,061			7,061
State and local government securities	3,550			3,550
Total cash and cash equivalents	20,862			20,862
Marketable securities:				
State and local government securities	102,888	73	(186)	102,775
Variable-rate demand notes	31,830			31,830
Total marketable securities	$ 134,718	$ 73	$ (186)	$ 134,605
Less: Long-term marketable securities (1)				(823)
Total current marketable securities				$ 133,782

	February 1, 2014			
	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
Cash and cash equivalents:				
Cash	$ 17,973	$	$	$ 17,973
Money market funds	1,211			1,211
State and local government securities	450			450
Total cash and cash equivalents	19,634			19,634
Marketable securities:				
State and local government securities	72,968	64	(191)	72,841
Variable-rate demand notes	25,505			25,505
Total marketable securities	$ 98,473	$ 64	$ (191)	$ 98,346
Less: Long-term marketable securities (1)				(825)
Total current marketable securities				$ 97,521

(1)

At January 31, 2015 and February 1, 2014, we held one auction rate security, classified as available-for-sale marketable securities and included in long-term other assets on the consolidated balance sheets.

All of our available-for-sale securities, excluding our auction rate security, have an effective maturity date of two years or less and may be liquidated, at our discretion, prior to maturity.

Table of Contents

The following tables summarize the gross unrealized holding losses and fair value for investments in an unrealized loss position, and the length of time that individual securities have been in a continuous loss position (in thousands):

	January 31, 2015					
	Less Than Twelve Months		12 Months or Greater		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Marketable securities:						
State and local government securities	$ 27,701	$ (9)	$ 823	$ (177)	$ 28,524	$ (186)
Total marketable securities	$ 27,701	$ (9)	$ 823	$ (177)	$ 28,524	$ (186)

	February 1, 2014					
	Less Than Twelve Months		12 Months or Greater		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Marketable securities:						
State and local government securities	$ 26,637	$ (15)	$ 2,081	$ (176)	$ 28,718	$ (191)
Total marketable securities	$ 26,637	$ (15)	$ 2,081	$ (176)	$ 28,718	$ (191)

We did not record a realized loss for other-than-temporary impairments during the fiscal years ended January 31, 2015, February 1, 2014 and February 2, 2013.

6. Receivables

Receivables consisted of the following (in thousands):

	January 31, 2015	February 1, 2014
Credit cards receivable	$ 7,781	$ 5,299
Tenant allowances receivable	1,555	1,391
Other receivables	3,317	3,604
Receivables	$ 12,653	$ 10,294

7. Fixed Assets

Fixed assets consisted of the following (in thousands):

	January 31, 2015	February 1, 2014
Leasehold improvements	$ 151,703	$ 136,953
Fixtures	75,683	74,333
Buildings, land and building and land improvements	28,087	27,786
Computer equipment, software, store equipment and other	33,803	27,704
Fixed assets, at cost	289,276	266,776
Less: Accumulated depreciation	(153,634)	(139,433)

Fixed assets, net	$ 135,642	$ 127,343

62

Table of Contents

Depreciation expense on fixed assets is recognized on our consolidated income statement as follows (in thousands):

		Fiscal Year Ended	
	January 31, 2015	February 1, 2014	February 2, 2013
Cost of goods sold	$ 1,230	$ 1,086	$ 875
Selling, general and administrative expenses	23,513	21,281	18,506
Depreciation expense	$ 24,743	$ 22,367	$ 19,381

8. Other Liabilities

Other liabilities consisted of the following (in thousands):

	January 31, 2015	February 1, 2014
Accrued payables	$ 4,993	$ 7,026
Unredeemed gift cards	4,980	4,410
Accrued indirect taxes	4,691	3,592
Deferred revenue	3,632	1,677
Future incentive payments	3,096	
Allowance for sales returns	1,986	1,582
Accrued legal settlement		1,250
Other current liabilities	1,194	1,739
Other liabilities	$ 24,572	$ 21,276

9. Revolving Credit Facilities and Debt

We maintain a secured credit agreement with Wells Fargo Bank, N.A., which provides us with a secured revolving credit facility until September 1, 2016 of up to $25.0 million, which, pursuant to an accordion feature, may be increased to $35.0 million at our discretion. The secured revolving credit facility provides for the issuance of a standby letter of credit in an amount not to exceed $5.0 million outstanding at any time and with a term not to exceed 365 days. The commercial line of credit provides for the issuance of a commercial letter of credit in an amount not to exceed $10.0 million and with terms not to exceed 120 days. The amount of borrowings available at any time under our secured revolving credit facility is reduced by the amount of standby and commercial letters of credit outstanding at that time. The secured revolving credit facility bears interest at the Daily Three Month LIBOR rate plus 1.00%. The credit agreement contains a number of restrictions and covenants that generally limit our ability to, among other things, (1) incur additional debt, (2) undergo a change in ownership and (3) enter into certain transactions. The credit agreement also contains financial covenants that require us to meet certain specified financial tests and ratios, including, a maximum net income after taxes of not less than one dollar on a trailing four-quarter basis provided, that, there shall be added to net income all charges for impairment of goodwill and other intangibles and up to an aggregate of $5.0 million of store asset impairment, and a minimum quick ratio of 1.25. The quick ratio is defined as our cash and near cash equivalents plus certain defined receivables divided by the borrowings outstanding. Our accounts receivable, general intangibles, inventory and equipment have been pledged to secure our obligations under the credit agreement. We must also provide financial information and statements to our lender. We were in compliance with all such covenants at January 31, 2015. There were no borrowings outstanding under the secured revolving credit facility at January 31, 2015 and February 1, 2014. We had open commercial letters of credit outstanding under our secured revolving credit facility at January 31, 2015 and February 1, 2014 of $0.3 million.

Table of Contents

Additionally, we have revolving lines of credit of up to 9.0 million Euros and other long-term debt, the proceeds of which are used to fund certain international operations. The revolving lines of credit bears interest at 1.60%-1.65%. There were no borrowings outstanding under these revolving lines of credit at January 31, 2015 and February 1, 2014. Long-term debt obligations are as follows (in thousands):

	January 31, 2015	February 1, 2014
Debt obligations	$	$ 1,933
Less: Current portion of debt obligations (1)		(325)
Total long-term debt obligations (2)	$	$ 1,608

(1) The current portion of debt obligations is recorded in other liabilities on the consolidated balance sheets.
(2) The long-term portion of debt obligations is recorded in long-term debt and other liabilities on the consolidated balance sheets.

10. Commitments and Contingencies

Operating Leases Total rent expense is as follows (in thousands):

	Fiscal Year Ended		
	January 31, 2015	February 1, 2014	February 2, 2013
Minimum rent expense (1)	$ 70,268	$ 51,131	$ 47,279
Contingent rent expense	2,234	2,312	2,705
Total rent expense (2)	$ 72,502	$ 53,443	$ 49,984

(1) Included in minimum rent expense for the fiscal year ended February 1, 2014 is a benefit of $2.7 million representing the correction of an error related to our calculation to account for rent expense on a straight-line basis.
(2) Total rent expense does not include real estate taxes, insurance, common area maintenance charges and other executory costs, which were $39.6 million, $32.0 million, and $28.0 million for the fiscal years ended January 31, 2015, February 1, 2014, and February 2, 2013.

Future minimum lease payments at January 31, 2015 are as follows (in thousands):

Fiscal 2015	$ 61,452
Fiscal 2016	60,191
Fiscal 2017	56,120
Fiscal 2018	50,686
Fiscal 2019	43,842
Thereafter	151,473
Total (1)	$ 423,764

(1) Amounts in the table do not include contingent rent and real estate taxes, insurance, common area maintenance charges and other executory costs obligations.

Purchase Commitments At January 31, 2015 and February 1, 2014, we had outstanding purchase orders to acquire merchandise from vendors of $192.9 million and $132.6 million. We have an option to cancel these commitments with no notice prior to shipment, except for certain private label purchase orders in which we are obligated to repay contractual amounts upon cancellation.

Litigation We are involved from time to time in claims, proceedings and litigation arising in the ordinary course of business. We have made accruals with respect to these matters, where appropriate, which are reflected

Table of Contents

in our consolidated financial statements. For some matters, the amount of liability is not probable or the amount cannot be reasonably estimated and therefore accruals have not been made. We may enter into discussions regarding settlement of these matters, and may enter into settlement agreements, if we believe settlement is in the best interest of our shareholders.

On February 15, 2013, a putative class action lawsuit, Robert Steele v. Zumiez Inc., was filed against the Company in the Superior Court of the State of California, County of San Francisco. The lawsuit purported to be brought on behalf of a class of all persons who are employed, or who have worked as, assistant store managers for the Company in the State of California from February 15, 2009 through the date of certification of the class in the lawsuit. The lawsuit alleged causes of action for failure to pay overtime wages, failure to pay wages for work done off-the-clock, failure to provide meal periods and rest breaks (and to pay meal and rest period premiums), failure to pay terminated employees all wages due at the time of termination, failure to provide employees with accurate itemized wage statements, failure to reimburse employees for business expenses and unfair business practices and declaratory relief. On November 12, 2013, the parties in the Steele case agreed to a conditional settlement in the amount of $1.3 million. A hearing was held on November 24, 2014 and the settlement was approved by the Court. The settlement was paid in the quarter ended January 31, 2015.

Insurance Reserves We use a combination of third-party insurance and self-insurance for a number of risk management activities including workers compensation, general liability and employee-related health care benefits. We maintain reserves for our self-insured losses, which are estimated based on historical claims experience and actuarial and other assumptions. The self-insurance reserve at January 31, 2015 and February 1, 2014 was $1.8 million and $1.7 million.

11. Fair Value Measurements

We apply the following fair value hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1 Quoted prices in active markets for identical assets or liabilities;

Level 2 Quoted prices for similar assets or liabilities in active markets or inputs that are observable; and

Level 3 Inputs that are unobservable.

The following tables summarize assets measured at fair value on a recurring basis (in thousands):

	January 31, 2015		
	Level 1	**Level 2**	**Level 3**
Cash equivalents:			
Money market funds	$ 7,061	$	$
State and local government securities		3,550	
Marketable securities:			
State and local government securities		101,952	
Variable-rate demand notes		31,830	
Long-term other assets:			
State and local government securities			823
Equity investments			123
Total	$ 7,061	$ 137,332	$ 946

Table of Contents

	February 1, 2014		
	Level 1	Level 2	Level 3
Cash equivalents:			
Money market funds	$ 1,211	$	$
State and local government securities		450	
Marketable securities:			
State and local government securities		72,016	
Variable-rate demand notes		25,505	
Long-term other assets:			
State and local government securities			825
Equity investments			147
Total	$ 1,211	$ 97,971	$ 972

Our policy is to recognize transfers into and transfers out of hierarchy levels as of the actual date of the event or change in circumstances that caused the transfer.

The Level 2 marketable securities primarily include state and local municipal securities and variable-rate demand notes. Fair values are based on quoted market prices for similar assets or liabilities or determined using inputs that use readily observable market data that are actively quoted and can be validated through external sources, including third-party pricing services, brokers and market transactions. We review the pricing techniques and methodologies of the independent pricing service for Level 2 investments and believe that its policies adequately consider market activity, either based on specific transactions for the security valued or based on modeling of securities with similar credit quality, duration, yield and structure that were recently traded. We monitor security-specific valuation trends and we make inquiries with the pricing service about material changes or the absence of expected changes to understand the underlying factors and inputs and to validate the reasonableness of the pricing.

Assets measured at fair value on a nonrecurring basis include items such as long-lived assets resulting from impairment, if deemed necessary. There were no material assets measured at fair value on a nonrecurring basis for the fiscal years ended January 31, 2015 and February 1, 2014.

12. Stockholders Equity

Share Repurchase In November 2012, we publicly announced that our Board of Directors authorized us to repurchase $22.0 million of our common stock. This repurchase program was completed in December 2012. In December 2012, our Board of Directors authorized a stock repurchase program that provided for the repurchase of up to an additional $20.0 million of outstanding common stock and $7.5 million of outstanding common stock was repurchased under that program. In December 2013, the Board of Directors authorized a stock repurchase program that provides for the repurchase of up to $30.0 million of outstanding common stock. This stock repurchase program replaces the existing stock repurchase program that was authorized in December 2012, which had $12.5 million remaining of the authorized amount to repurchase shares under that program and was set to expire on February 1, 2014. On December 10, 2014 our Board of Directors superseded and replaced this program with a new $30.0 million share repurchase program that is expected to continue through January 30, 2016, unless the time period is extended or shortened by the Board of Directors.

The following table summarizes common stock repurchase activity during the fiscal year ended January 31, 2015 (in thousands except average price per repurchased shares):

Number of shares repurchased	758
Average price per share of repurchased shares (with commission)	$ 23.03
Total cost of shares repurchased	$ 17,445

Table of Contents

At January 31, 2015, there remains $30.0 million available to repurchase shares under the current share repurchase program.

Accumulated Other Comprehensive Income (Loss) The component of accumulated other comprehensive income (loss) and the adjustments to other comprehensive income (loss) for amounts reclassified from accumulated other comprehensive income (loss) into net income is as follows (in thousands):

	Foreign currency translation adjustments	Net unrealized gains (losses) on available-for-sale investments	Accumulated other comprehensive income (loss)
Balance at January 28, 2012	$ (19)	$ 154	$ 135
Other comprehensive income (loss) before reclassifications, net of tax (1)	6,040	(79)	5,961
Reclassifications recorded in:			
Other (expense) income, net		(141)	(141)
Provision for income taxes		55	55
Total reclassifications from accumulated other comprehensive income (loss), net of taxes		(86)	(86)
Other comprehensive income (loss), net	6,040	(165)	5,875
Balance at February 2, 2013	6,021	(11)	6,010
Other comprehensive income (loss) before reclassifications, net of tax (1)	(1,231)	(92)	(1,323)
Reclassifications recorded in:			
Other (expense) income, net		28	28
Provision for income taxes		(5)	(5)
Total reclassifications from accumulated other comprehensive income (loss), net of taxes		23	23
Other comprehensive income (loss), net	(1,231)	(69)	(1,300)
Balance at February 1, 2014	4,790	(80)	4,710
Other comprehensive income (loss) before reclassifications, net of tax (1)	(15,995)	6	(15,989)
Reclassifications recorded in:			
Other (expense) income, net		2	2
Provision for income taxes		(1)	(1)
Total reclassifications from accumulated other comprehensive income (loss), net of taxes		1	1
Other comprehensive income (loss), net	(15,995)	7	(15,988)
Balance at January 31, 2015	$ (11,205)	$ (73)	$ (11,278)

(1)

Other comprehensive income (loss) before reclassifications is net of taxes of less than $0.1 million for the fiscal year ended January 31, 2015 and $0.1 million for the fiscal years ended February 1, 2014 and February 2, 2013 for both net unrealized gains (losses) on available-for-sale investments and accumulated other comprehensive income (loss). Foreign currency translation adjustments are not adjusted for income taxes as they relate to permanent investments in our international subsidiaries.

13. Equity Awards

General We maintain several equity incentive plans under which we may grant incentive stock options, nonqualified stock options, stock bonuses, restricted stock awards, restricted stock units and stock appreciation rights to employees (including officers), non-employee directors and consultants.

67

Table of Contents

Stock-Based Compensation Total stock-based compensation expense is recognized on our consolidated income statements as follows (in thousands):

	Fiscal Year Ended		
	January 31, 2015	February 1, 2014	February 2, 2013
Cost of goods sold	$ 1,048	$ 990	$ 1,033
Selling, general and administrative expenses (1)	6,472	3,104	4,963
Total stock-based compensation expense	$ 7,520	$ 4,094	$ 5,996

(1) Included in stock-based compensation expense recognized in selling, general and administrative expenses is $3.1 million of expense associated with the estimated future incentive payments payable in shares of our common stock for the fiscal year ended January 31, 2015 and is a $0.9 million benefit associated with the reversal of the estimated future incentive payments payable in shares of our common stock associated with the Blue Tomato acquisition for the fiscal year ended February 1, 2014.

At January 31, 2015, there was $6.1 million of total unrecognized compensation cost related to unvested stock options and restricted stock. This cost has a weighted-average recognition period of 1.1 years.

Restricted Stock The following table summarizes restricted stock activity (in thousands, except grant date weighted-average fair value):

	Restricted Stock	Grant Date Weighted-Average Fair Value	Intrinsic Value (1)
Outstanding at January 28, 2012	503	$ 16.79	
Granted	154	$ 33.98	
Vested	(236)	$ 15.21	
Forfeited	(39)	$ 24.03	
Outstanding at February 2, 2013	382	$ 23.97	
Granted	198	$ 25.45	
Vested	(193)	$ 19.54	
Forfeited	(26)	$ 27.27	
Outstanding at February 1, 2014	361	$ 26.91	
Granted	176	$ 25.76	
Vested	(154)	$ 26.31	
Forfeited	(40)	$ 27.14	
Outstanding at January 31, 2015	343	$ 26.56	$ 12,783

(1) Intrinsic value for restricted stock is defined as the market value of the outstanding restricted stock on the last business day of the fiscal year.

Table of Contents

The following table summarizes additional information related to restricted stock activity (in thousands):

	January 31, 2015	Fiscal Year Ended February 1, 2014	February 2, 2013
Vest-date fair value of restricted stock vested	$ 3,916	$ 4,981	$ 8,174

Stock Options The following table summarizes stock option activity (in thousands, except grant date weighted-average exercise price and weighted-average remaining contractual life):

	Stock Options	Grant Date Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (in Years)	Intrinsic Value (1)
Outstanding at January 28, 2012	888	$ 16.18		
Granted	55	$ 31.79		
Exercised	(74)	$ 8.53		
Forfeited	(49)	$ 20.91		
Outstanding at February 2, 2013	820	$ 17.62		
Granted	47	$ 24.81		
Exercised	(152)	$ 6.64		
Forfeited	(24)	$ 35.96		
Outstanding at February 1, 2014	691	$ 19.86		
Granted	31	$ 25.49		
Exercised	(397)	$ 14.82		
Forfeited	(74)	$ 32.63		
Outstanding at January 31, 2015	251	$ 24.76	4.4	$ 3,154
Exercisable at January 31, 2015	180	$ 24.14	2.9	$ 2,387
Vested or expected to vest at January 31, 2015 (2)	220	$ 24.27	4.0	$ 3,153

(1) Intrinsic value for stock options is defined as the difference between the market price of our common stock on the last business day of the fiscal year and the weighted average exercise price of in-the-money options outstanding at the end of the fiscal year.

(2) Includes outstanding vested options as well as outstanding, non-vested options after a forfeiture rate is applied.

The following table summarizes additional information related to stock option activity (in thousands):

	January 31, 2015	Fiscal Year Ended February 1, 2014	February 2, 2013
	$ 6,756	$ 3,408	$ 1,655

Aggregate intrinsic value of stock options exercised			
Vest-date fair value of stock options	$ 83	$ 2,024	$ 4,881

69

Table of Contents

The following table summarizes outstanding and exercisable options by exercise price at January 31, 2015:

	Options Outstanding		Options Exercisable
Exercise Price	Number of Options (in thousands)	Weighted-Average Remaining Contractual Life	Number of Options (in thousands)
Under $ 10.00	45	2.9	45
$ 10.01-$ 20.00	8	5.2	8
$ 20.01-$ 30.00	103	6.7	39
$ 30.01-$ 40.00	95	2.5	88
Total	251		180

Employee Stock Purchase Plan We offer an Employee Stock Purchase Plan (the ESPP) for eligible employees to purchase our common stock at a 15% discount of the lesser of fair market value of the stock on the first business day or the last business day of the offering period, subject to maximum contribution thresholds. The number of shares issued under our ESPP was less than 0.1 million for each of the fiscal years ended January 31, 2015, February 1, 2014 and February 2, 2013.

14. Income Taxes

The components of earnings before income taxes are (in thousands):

	Fiscal Year Ended		
	January 31, 2015	February 1, 2014	February 2, 2013
United States	$ 80,449	$ 71,288	$ 75,054
Foreign	(8,798)	676	(4,775)
Total earnings before income taxes	$ 71,651	$ 71,964	$ 70,279

The components of the provision for income taxes are (in thousands):

	Fiscal Year Ended		
	January 31, 2015	February 1, 2014	February 2, 2013
Current:			
Federal	$ 24,639	$ 22,925	$ 24,002
State and local	3,386	3,544	4,689
Foreign	1,044	525	1,054
Total current	29,069	26,994	29,745
Deferred:			
Federal	1,706	629	551
State and local	291	74	(370)
Foreign	(2,607)	(1,681)	(1,811)
Total deferred	(610)	(978)	(1,630)

Provision for income taxes	$ 28,459	$	26,016	$	28,115

70

Table of Contents

The reconciliation of the income tax provision at the U.S. federal statutory rate to our effective income tax rate is as follows:

		Fiscal Year Ended	
	January 31, 2015	**February 1, 2014**	**February 2, 2013**
Expected U.S. federal income taxes at statutory rates	35.0%	35.0%	35.0%
State and local income taxes, net of federal effect	3.4	3.3	4.4
Other	1.3	(2.2)	0.6
Effective tax rate	39.7%	36.1%	40.0%

The components of deferred income taxes are (in thousands):

	January 31, 2015	**February 1, 2014**
Deferred tax assets:		
Deferred rent	$ 18,832	$ 16,779
Employee benefits, including stock based compensation	3,595	5,967
Net operating losses	3,053	2,045
Accrued liabilities	1,971	2,507
Inventory	1,351	672
Other	1,508	1,251
Total deferred tax assets	30,310	29,221
Deferred tax liabilities:		
Property and equipment	(21,197)	(19,937)
Goodwill and other intangibles	(6,424)	(7,463)
Other	(693)	(543)
Total deferred tax liabilities	(28,314)	(27,943)
Net deferred tax assets	$ 1,996	$ 1,278
Reported as:		
Current deferred tax assets	$ 6,965	$ 5,194
Long-term deferred tax assets (included in long-term other assets)	769	733
Current deferred income tax liabilities (included in other liabilities)		
Long-term deferred tax liabilities	(5,738)	(4,649)
Net deferred tax assets	$ 1,996	$ 1,278

At January 31, 2015 and February 1, 2014, we had $12.1 million and $8.0 million of foreign net operating loss carryovers that could be utilized to reduce future years tax liabilities. The tax- effected foreign net operating loss carryovers were $3.0 million and $2.0 million at January 31, 2015 and February 1, 2014. The net operating loss carryovers have an indefinite carryfoward period and currently will not expire.

At each reporting date, we consider new evidence, both positive and negative, that could impact our view with regards to future realization of deferred tax assets. At January 31, 2015, we recorded a valuation allowance of less than $0.1 million. During the fiscal year ended February 1, 2014, we reversed the valuation allowance previously recorded on the deferred tax assets based on our reassessment of the amount of the deferred tax assets that are more likely than not to be realized. The net change in the total valuation allowance was an increase of less than $0.1

million and a decrease of $0.4 million for the fiscal years ended January 31, 2015 and February 1, 2014.

71

Table of Contents

We file income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. Our U.S. federal income tax returns are no longer subject to examination for years before fiscal 2011, with few exceptions, we are no longer subject to U.S. state examinations for years before fiscal 2010 and we are no longer subject to examination for all foreign income tax returns before fiscal 2009.

15. Earnings per Share, Basic and Diluted

The following table sets forth the computation of basic and diluted earnings per share (in thousands, except per share amounts):

	Fiscal Year Ended		
	January 31, 2015	February 1, 2014	February 2, 2013
Net income	$ 43,192	$ 45,948	$ 42,164
Weighted average common shares for basic earnings per share	28,871	29,810	30,742
Dilutive effect of stock options and restricted stock	417	396	531
Weighted average common shares for diluted earnings per share	29,288	30,206	31,273
Basic earnings per share	$ 1.50	$ 1.54	$ 1.37
Diluted earnings per share	$ 1.47	$ 1.52	$ 1.35

Total anti-dilutive common stock options not included in the calculation of diluted earnings per share were 0.1 million, 0.2 million and 0.2 million for the fiscal years ended January 31, 2015, February 1, 2014 and February 2, 2013.

16. Related Party Transactions

The Zumiez Foundation is a charitable based nonprofit organization focused on meeting various needs of the under-privileged. Our Chairman of the Board is also the President of the Zumiez Foundation. We committed charitable contributions to the Zumiez Foundation of $0.7 million for each of the fiscal years ended January 31, 2015, February 1, 2014 and February 2, 2013. We have accrued charitable contributions payable to the Zumiez Foundation of $0.6 million at January 31, 2015 and February 1, 2014.

17. Segment Reporting

The following table is a summary of product categories as a percentage of merchandise sales:

	Fiscal Year Ended		
	January 31, 2015	February 1, 2014	February 2, 2013
Men s Apparel	34%	34%	36%
Accessories	20%	19%	19%
Footwear	19%	22%	23%
Hardgoods	14%	13%	11%
Junior s Apparel	13%	12%	11%
Total	100%	100%	100%

Table of Contents

The following tables present summarized geographical information (in thousands):

	Fiscal Year Ended		
	January 31, 2015	February 1, 2014	February 2, 2013
Net sales (1):			
United States	$ 708,279	$ 644,362	$ 618,958
Foreign	103,272	79,975	50,435
Total net sales	$ 811,551	$ 724,337	$ 669,393

	January 31, 2015	February 1, 2014
Long-lived assets:		
United States	$ 122,003	$ 111,595
Foreign	23,025	18,092
Total long-lived assets	$ 145,028	$ 129,687

(1) Net sales are allocated based on the location in which the sale was fulfilled. Store sales are allocated based on the location of the store and ecommerce sales are allocated to the U.S. for sales on www.zumiez.com and to foreign for sales on www.blue-tomato.com.

73

Table of Contents

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ZUMIEZ INC.

/s/ Richard M. Brooks	March 17, 2015
Signature	Date
By: Richard M. Brooks Chief Executive Officer and Director (Principal Executive Officer)	
/s/ Christopher C. Work	March 17, 2015
Signature	Date
By: Christopher C. Work, Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

/s/ Thomas D. Campion	March 17, 2015	/s/ James M. Weber	March 17, 2015
Signature	Date	Signature	Date
Thomas D. Campion, Chairman		James M. Weber, Director	
/s/ Matthew L. Hyde	March 17, 2015	/s/ Sarah G. McCoy	March 17, 2015
Signature	Date	Signature	Date
Matthew L. Hyde, Director		Sarah G. McCoy, Director	
/s/ Ernest R. Johnson	March 17, 2015	/s/ Travis D. Smith	March 17, 2015
Signature	Date	Signature	Date
Ernest R. Johnson, Director		Travis D. Smith, Director	
/s/ Kalen F. Holmes	March 17, 2015		
Signature	Date		
Kalen F. Holmes, Director			

EXHIBIT INDEX

2.1	Share Purchase Agreement, dated June 18, 2012, by and between Gerfried Schuller, Alexander Zezula and Eff zwanzig Beteiligungsverwaltung GmbH [Incorporated by reference to Exhibit 2.1 to the Form 8-K filed by the Company on July 10, 2012]
3.1	Articles of Incorporation. [Incorporated by reference to Exhibit 3.1 to the Company s Registration Statement on Form S-1 (file No. 333-122865)]
3.2	Bylaws, as amended and restated May 21, 2014. [Incorporated by reference to Exhibit 3.2 to the Company s Current Report on Form 8-K filed on May 23, 2014]
4.1	Form of Common Stock Certificate of Zumiez Inc. [Incorporated by reference to Exhibit 4.1 to the Company s Registration Statement on Form S-1 (file No. 333-122865)]
10.8	Zumiez Inc. 2005 Employee Stock Purchase Plan. [Incorporated by reference to Exhibit 10.8 to the Company s Registration Statement on Form S-1 (file No. 333-122865)]
10.9	Form of Indemnity Agreement between Zumiez Inc. and each of its officers and directors. [Incorporated by reference to Exhibit 10.9 to the Company s Registration Statement on Form S-1 (file No. 333-122865)]
10.10	Limited Liability Company Agreement of Zumiez Holdings LLC. [Incorporated by reference to Exhibit 10.10 to the Company s Registration Statement on Form S-1 (file No. 333-122865)]
10.12	Equity Purchase Agreement with Gerald R. Anderson, Brandon C. Batton, AC Fast Forward LLC and AC Fast Forward Mgt., LLC dated May 16, 2006. [Incorporated by reference to Exhibit 10.12 to the Company s Quarterly Report on Form 10-Q for the period ended July 29, 2006 as filed on September 12, 2006]
10.13	Lease Agreement between Merrill Creek Holdings, LLC and Zumiez Inc. dated October 2, 2006. [Incorporated by reference to Exhibit 10.13 to the Company s Form 8-K filed on October 4, 2006]
10.15	Zumiez Inc. 2005 Equity Incentive Plan, as amended and restated effective May 27, 2009. [Incorporated by reference from Exhibit 10.15 to the Form 8-K filed by the Company on June 1, 2009]
10.17	Purchase and Sale Agreement and Joint Escrow Instructions with Railroad Street Land Holdings, LLC dated February 18, 2010. [Incorporated by reference from Exhibit 10.17 to the Form 8-K filed by the Company on February 22, 2010]
10.18	Credit Agreement, including Revolving Line of Credit Note, with Wells Fargo Bank, N.A. dated August 29, 2011. [Incorporated by reference from Exhibit 10.18 to the Form 8-K filed by the Company on August 31, 2011]
10.19	Amended Credit Agreement with Wells Fargo Bank, N.A. dated June 14, 2013. [Incorporated by reference from Exhibit 10.19 to the Form 8-K filed by the Company on June 19, 2013]
10.20	Zumiez Inc. 2014 Equity Incentive Plan. [Incorporated by reference to Exhibit 10.20 to the Company s Current Report on Form 8-K filed on May 23, 2014]
10.21	Form of Restricted Stock Award Agreement and Terms and Conditions. [Incorporated by reference to Exhibit 10.21 to the Company s Current Report on Form 8-K filed on May 23, 2014]
10.22	Form of Stock Option Award Agreement and Terms and Conditions. [Incorporated by reference to Exhibit 10.22 to the Company s Current Report on Form 8-K filed on May 23, 2014]
10.23	Zumiez Inc. 2014 Employee Stock Purchase Plan. [Incorporated by reference to Exhibit 10.23 to the Company s Current Report on Form 8-K filed on May 23, 2014]
10.24	Form of Indemnification Agreement. [Incorporated by reference to Exhibit 10.24 to the Company s Current Report on Form 8-K filed on May 23, 2014]

Table of Contents

10.25	Credit Agreement, including Revolving Line of Credit Note, with Wells Fargo Bank, N.A. dated July 9, 2014. [Incorporated by reference from Exhibit 10.25 to the Form 8-K filed by the Company on July 7, 2014]
21.1	Subsidiaries of the Company.
23.1	Consent of Moss Adams LLP, Independent Registered Public Accounting Firm.
31.1	Certification of the Principal Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Principal Financial Officer (Principal Accounting Officer) pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certifications of the Principal Executive Officer and Principal Financial Officer (Principal Accounting Officer) pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350.
101	The following materials from Zumiez Inc. s Annual Report on Form 10-K for the annual period ended January 31, 2015, formatted in XBRL (eXtensible Business Reporting Language):
	(i) Consolidated Balance Sheets at January 31, 2015 and February 1, 2014; (ii) Consolidated Statements of Income for the fiscal years ended January 31, 2015, February 1, 2014, and February 2, 2013; (iii) Consolidated Statements of Comprehensive Income for the fiscal years ended January 31, 2015, February 1, 2014, and February 2, 2013; (iv) Consolidated Statements of Changes in Shareholders Equity for the fiscal years ended January 31, 2015, February 1, 2014, and February 2, 2013; (v) Consolidated Statements of Cash Flows for the fiscal years ended January 31, 2015, February 1, 2014, and February 2, 2013; and (vi) Notes to Consolidated Financial Statements.

Copies of Exhibits may be obtained upon request directed to the attention of our Executive Vice President, General Counsel and Secretary, 4001 204th Street SW, Lynnwood, Washington 98036, and are available at the SEC s website found at www.sec.gov.