

GANDER MOUNTAIN CO
Form 10-Q
December 09, 2005

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

FORM 10-Q

(MARK ONE)

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

FOR THE QUARTERLY PERIOD ENDED OCTOBER 29, 2005.

OR

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

FOR THE TRANSITION PERIOD FROM TO

COMMISSION FILE NUMBER 0-50659.

GANDER MOUNTAIN COMPANY

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

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MINNESOTA
(State or Other Jurisdiction of
Incorporation or Organization)

41-1990949
(I.R.S. Employer Identification No.)

180 EAST FIFTH STREET, SUITE 1300
ST PAUL, MINNESOTA
(Address of Principal Executive Offices)

55101
(Zip Code)

(651) 325-4300

(Registrant's Telephone Number, Including Area Code)

(Former Name, Former Address and Former Fiscal Year, If Changed Since Last Report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.)
Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, \$.01 par value; 14,264,073 shares outstanding as of December 1, 2005.

GANDER MOUNTAIN COMPANY

QUARTERLY PERIOD ENDED OCTOBER 29, 2005

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Gander Mountain Company

Condensed Statements of Operations - Unaudited

(In thousands, except per share data)

	13 Weeks Ended		39 Weeks Ended	
	October 29, 2005	October 30, 2004 (restated)	October 29, 2005	October 30, 2004 (restated)
Sales	\$ 214,421	\$ 178,145	\$ 523,166	\$ 404,960
Cost of goods sold	164,200	129,820	407,080	305,541
Gross profit	50,221	48,325	116,086	99,419
Operating expenses:				
Store operating expenses	42,889	33,258	113,592	84,314
General and administrative expenses	8,857	6,933	24,178	19,546
Pre-opening expenses	2,779	5,224	6,555	7,917
Income (loss) from operations	(4,304)	2,910	(28,239)	(12,358)
Interest expense, net	3,236	1,218	7,250	3,615
Income (loss) before income taxes	(7,540)	1,692	(35,489)	(15,973)
Income tax provision				
Net Income (loss)	(7,540)	1,692	(35,489)	(15,973)
Less preferred stock dividends				4,305
Income (loss) applicable to common shareholders	\$ (7,540)	\$ 1,692	\$ (35,489)	\$ (20,278)
Income (loss) per common share				
Basic	\$ (0.53)	\$ 0.12	\$ (2.49)	\$ (2.02)
Diluted	\$ (0.53)	\$ 0.11	\$ (2.49)	\$ (2.02)
Weighted average common shares outstanding				
Basic	14,264	14,222	14,252	10,048
Diluted	14,264	14,883	14,252	10,048

See accompanying notes to unaudited condensed financial statements.

Gander Mountain Company

Condensed Balance Sheets

(In thousands)

	October 29, 2005 (unaudited)	January 29, 2005 (1)
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,589	\$ 1,033
Accounts receivable	19,499	9,347
Inventories	392,240	264,138
Prepays and other current assets	9,072	5,806
Total current assets	422,400	280,324
Property and equipment, net	136,071	101,430
Other assets	4,704	4,089