



The Buckle, Inc.

2407 W. 24<sup>th</sup> St. Kearney, NE 68845

P.O. Box 1480 Kearney, NE 68848-1480

phone: 308-236-8491

fax: 308-236-4493

web: [www.buckle.com](http://www.buckle.com)

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**Contact:** Karen B. Rhoads, Chief Financial Officer  
The Buckle, Inc.  
308/236-8491

### **THE BUCKLE, INC. REPORTS SECOND QUARTER NET INCOME**

KEARNEY, NE -- The Buckle, Inc. (NYSE: BKE) announced today that net income for the fiscal quarter ended August 2, 2008 increased 88.9 percent on a 36.6 percent net sales increase.

Comparable store net sales for the 13-week second quarter ended August 2, 2008 increased 27.8 percent from comparable store net sales for the prior year 13-week second quarter ended August 4, 2007. Net sales for the 13-week fiscal period ended August 2, 2008 increased 36.6 percent to \$169.8 million from net sales of \$124.3 million for the prior year 13-week fiscal period ended August 4, 2007.

Comparable store net sales year-to-date for the 26-week period ended August 2, 2008 increased 26.7 percent from comparable store net sales for the 26-week period ended August 4, 2007. Net sales for the 26-week fiscal period ended August 2, 2008 increased 34.5 percent to \$330.1 million from net sales of \$245.4 million for the prior year 26-week fiscal period ended August 4, 2007.

Net income for the second quarter of fiscal 2008 was \$22.3 million, or \$0.74 per share (\$0.72 per share on a diluted basis), compared with \$11.8 million, or \$0.40 per share (\$0.38 per share on a diluted basis) for the second quarter of fiscal 2007.

Net income for the 26-week period ended August 2, 2008 was \$41.0 million, or \$1.36 per share (\$1.32 per share on a diluted basis), compared with \$24.0 million, or \$0.81 per share (\$0.78 per share on a diluted basis) for the 26-week period ended August 4, 2007.

General and administrative expenses for the quarter and year-to-date periods ended August 2, 2008 are reported net of a \$3.0 million gain from the involuntary conversion of one of the Company's corporate aircrafts to a monetary asset upon receipt of the insurance proceeds. As disclosed in the Company's May 30, 2008 press release, the aircraft was destroyed by a tornado that hit the airport in Kearney, Nebraska. This gain had a \$0.06 per share after-tax impact on reported basic and diluted earnings per share for both the quarter and year-to-date periods.

Management will hold a conference call at 10:30 a.m. EDT today to discuss results for the quarter. To participate in the call, please call (800) 230-1092 and reference the conference code 956639. A replay of the call will be available for a two-week period beginning August 21, 2008, at 12:30 p.m. EDT by calling (800) 475-6701 and entering the conference code 956639.

## **About Buckle**

Offering a unique mix of high-quality, on-trend apparel, accessories, and footwear, Buckle caters to fashion-conscious young men and women. Known as a denim destination, each store carries a wide selection of fits, styles, and finishes from leading denim brands, including the Company's exclusive brand, BKE. Headquartered in Kearney, Nebraska, Buckle currently operates 382 retail stores in 39 states which includes the recent opening of a new store in Coeur D' Alene, Idaho. As of the end of the fiscal quarter, it operated 381 stores in 39 states compared with 362 stores in 38 states at the end of the second quarter of fiscal 2007. Buckle was added to the S&P SmallCap 600 index at the close of trading on August 19, 2008.

**SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995:** All forward-looking statements made by the Company involve material risks and uncertainties and are subject to change based on factors which may be beyond the Company's control. Accordingly, the Company's future performance and financial results may differ materially from those expressed or implied in any such forward-looking statements. Such factors include, but are not limited to, those described in the Company's filings with the Securities and Exchange Commission. The Company does not undertake to publicly update or revise any forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized.

*Note: News releases and other information on The Buckle, Inc. can be accessed at [www.buckle.com](http://www.buckle.com) on the Internet.*

Financial Tables to Follow

# THE BUCKLE, INC.

## STATEMENTS OF INCOME

(Amounts in Thousands Except Per Share Amounts)

(Unaudited)

	<u>Thirteen Weeks Ended</u>		<u>Twenty-six Weeks Ended</u>	
	<u>August 2, 2008</u>	<u>August 4, 2007</u>	<u>August 2, 2008</u>	<u>August 4, 2007</u>
SALES, Net of returns and allowances	\$ 169,765	\$ 124,257	\$ 330,065	\$ 245,368
COST OF SALES (Including buying, distribution, and occupancy costs)	<u>99,497</u>	<u>77,844</u>	<u>194,175</u>	<u>153,452</u>
Gross profit	<u>70,268</u>	<u>46,413</u>	<u>135,890</u>	<u>91,916</u>
OPERATING EXPENSES:				
Selling	33,480	25,065	65,039	48,489
General and administrative	<u>3,477</u>	<u>4,891</u>	<u>10,172</u>	<u>9,871</u>
	<u>36,957</u>	<u>29,956</u>	<u>75,211</u>	<u>58,360</u>
INCOME FROM OPERATIONS	33,311	16,457	60,679	33,556
OTHER INCOME, Net	<u>2,049</u>	<u>2,260</u>	<u>4,369</u>	<u>4,383</u>
INCOME BEFORE INCOME TAXES	35,360	18,717	65,048	37,939
PROVISION FOR INCOME TAXES	<u>13,084</u>	<u>6,925</u>	<u>24,055</u>	<u>13,954</u>
NET INCOME	<u>\$ 22,276</u>	<u>\$ 11,792</u>	<u>\$ 40,993</u>	<u>\$ 23,985</u>
EARNINGS PER SHARE:				
Basic	<u>\$ 0.74</u>	<u>\$ 0.40</u>	<u>\$ 1.36</u>	<u>\$ 0.81</u>
Diluted	<u>\$ 0.72</u>	<u>\$ 0.38</u>	<u>\$ 1.32</u>	<u>\$ 0.78</u>
Basic weighted average shares	30,231	29,776	30,051	29,622
Diluted weighted average shares	31,058	30,924	30,946	30,806

**BALANCE SHEETS****(Amounts in Thousands Except Share and Per Share Amounts)****(Unaudited)**

<b>ASSETS</b>	<b>August 2, 2008</b>	<b>February 2, 2008 (1)</b>	<b>August 4, 2007</b>
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$ 184,144	\$ 64,293	\$ 25,578
Short-term investments	22,760	102,910	132,095
Accounts receivable, net of allowance of \$24, \$62, and \$42, respectively	5,012	2,800	3,841
Inventory	103,432	77,639	96,021
Prepaid expenses and other assets	16,486	13,979	14,582
Total current assets	<u>331,834</u>	<u>261,621</u>	<u>272,117</u>
<b>PROPERTY AND EQUIPMENT:</b>	239,639	240,237	228,693
Less accumulated depreciation and amortization	<u>(141,840)</u>	<u>(137,903)</u>	<u>(128,896)</u>
	<u>97,799</u>	<u>102,334</u>	<u>99,797</u>
<b>LONG-TERM INVESTMENTS</b>	71,880	81,201	29,387
<b>OTHER ASSETS</b>	<u>4,930</u>	<u>5,501</u>	<u>4,044</u>
	<u>\$506,443</u>	<u>\$450,657</u>	<u>\$405,345</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	\$ 48,218	\$ 25,155	\$ 35,003
Accrued employee compensation	16,501	27,836	9,705
Accrued store operating expenses	7,004	5,704	5,461
Gift certificates redeemable	5,814	8,511	4,311
Income taxes payable	7,097	10,020	1,466
Total current liabilities	<u>84,634</u>	<u>77,226</u>	<u>55,946</u>
<b>DEFERRED COMPENSATION</b>	4,830	4,127	3,845
<b>DEFERRED RENT LIABILITY</b>	<u>34,607</u>	<u>30,984</u>	<u>30,657</u>
Total liabilities	<u>124,071</u>	<u>112,337</u>	<u>90,448</u>
<b>COMMITMENTS</b>			
<b>STOCKHOLDERS' EQUITY:</b>			
Common stock, authorized 100,000,000 shares of \$.01 par value; issued and outstanding; 30,651,343 shares at August 2, 2008, 29,841,668 shares at February 2, 2008, and 30,192,753 shares at August 4, 2007	307	298	302
Additional paid-in capital	66,272	46,977	59,823
Retained earnings	316,769	291,045	254,772
Accumulated other comprehensive loss	(976)	-	-
Total stockholders' equity	<u>382,372</u>	<u>338,320</u>	<u>314,897</u>
	<u>\$506,443</u>	<u>\$450,657</u>	<u>\$405,345</u>

(1) Derived from audited financial statements.