FLASH REPORT

Burlington (BURL) 1Q16 RESULTS: OFF-PRICE CONTINUES TO OUTPERFORM; BURLINGTON RAISES 2016 GUIDANCE

	1Q16	1Q15	YoY Change
Revenues (USD Bil.)	$1.28	$1.18	8.4%
Gross Margin	40.1%	39.7%	40 bps
SG&A/Sales	31.4%	31.9%	(50) bps
Operating Margin	5.2%	4.2%	100 bps
Adjusted EPS	$0.57	$0.41	39.0%

Source: Company reports

- **Burlington Stores reported 1Q16 adjusted EPS of $0.57 versus the consensus estimate of $0.48.**
- **Total sales were $1.28 billion versus consensus of $1.27 billion. Comps were up 4.3% versus analysts' expectation of 3.2% and guidance of 2.5%–3.5%.**
- **FY16 guidance calls for adjusted EPS of $2.68–$2.78 versus prior guidance of $2.62–$2.72 and consensus of $2.72. Total sales are expected to increase by 7.1%–7.6% versus prior guidance of 6.5%–7.5%. Comps are expected to increase by 3.0%–3.5% versus prior guidance of 2.5%–3.5% and consensus of 3%.**

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Inventory was down 2.1% at the end of the quarter, compared to an 8.4% increase in sales during the period.

2016 OUTLOOK

Management provided 2Q16 guidance for adjusted EPS of $0.20–$0.23 versus consensus of $0.25. Sales are expected to increase by 6.3%–7.3% in the quarter, implying sales of $1.22–$1.32 billion versus consensus of $1.22 billion. Comps are expected to increase by 2.5%–3.5% versus consensus of 2.4%.

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