



Finance One, Inc.
888 S. Figueroa St. Suite 1100
Los Angeles, CA 90017
Tel: 213-430-4888, Fax: 213-430-4877

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I. Buckle, Inc.

	Fiscal Years Ended					
	May 07	1 st Quarter 07	2006		2005	2004
Sales	8.8%	6.4%	\$530 million	5.8%	6.4%	11%
Net Income	-	-	\$56 million	7.3%	20%	28%

- Sales in May and 1st quarter, 2007 are based on comparable sales
- Sales in the year 2006, 2005 and 2004 were based on net sales

- Buckle, Inc., which operates under the names Buckle and The Buckle, is a retailer of men’s and women’s casual apparel, footwear, and accessories. Headquartered in Nebraska, the Company has 355 stores in 38 states. With Texas as the most concentrated state, with 21 stores, Buckle, Inc. focuses on the Middle and Southern regions of the U.S. There are currently 12 stores operating in California.
- The average price of women’s casual and dressy tops is approximately \$30, while the price for t-shirts slightly exceeds \$30 on average. The average price of jeans is around \$90.
- There are three reasons why we are analyzing the Company. The first is that while most apparel retailers, department stores, and discount stores showed unfavorable sales results for April and May, Buckle, Inc. has been able to maintain a positive growth. Sales increased 8.8% in May. Further, the Company has had an increase in sales and net profit for three consecutive years. Our previous Newsletters have reported that many multi-brand companies have experienced a net loss or negative growth despite a positive growth in sales, and some have experienced both a decrease in sales and net loss.
- Secondly, Buckle, Inc. mainly targets Texas, Illinois, Kansas, and Oklahoma, as well as other states in the Middle and Southern regions of the U.S. Many of Finance One’s clients currently focuses on California, other western states, and the northeast. If we evaluate Texas and the other Middle and Southern states, we can see that Texas – and income and consumption within the state – has benefited from the continued high price of oil. The department store Dillard’s currently has the most stores, 51, in Texas. In 2005, Forever 21 merged with Gadzooks, a Texas-based junior apparel retailer with 150 stores, and entered the apparel market in Texas under the name Gadzooks 21.
- Lastly, the prices for casual and dressy tops are higher than that of Forever 21’s by about \$10. You may want to consider becoming a supplier when seeing the favorable margin. In Southern California, the Company has stores in Valencia and Rancho Cucamonga (stores locations can be found on the Company’s website, www.buckle.com).
- According to Finance One’s database, Buckle, Inc. has been paying about 16 days past the invoice due date on average.
- There is an Alaskan proverb saying that only the dog in the front can enjoy the scenery. With Finance One as a partner, our clients can be the one in front.

Regarding to factoring services such as payment guaranty for invoice, lending and invoice collection, if you have any question, please don’t hesitate to contact Min Park at 213-534-5135 or at e-mail to minpark@finone.com

The above report isn’t the official opinion of Finance One, Inc.