

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 8-K**

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 12, 2015

**SPORTSMAN'S WAREHOUSE HOLDINGS, INC.**

(Exact Name of Registrant as Specified in Its Charter)

**DELAWARE**

(State or Other Jurisdiction of Incorporation)

**001-36401**

(Commission File Number)

**39-1975614**

(I.R.S. Employer Identification No.)

**7035 South High Tech Drive,  
Midvale, Utah**

(Address of Principal Executive Offices)

**84047**

(Zip Code)

**(801) 566-6681**

(Registrant's Telephone Number, Including Area Code)

**(Not Applicable)**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 240.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 7.01 Regulation FD Disclosure**

John Schaefer, Chief Executive Officer of Sportsman's Warehouse Holdings, Inc. (the "Company"), will be presenting at the ICR XChange Conference on Tuesday, January 13, 2015. A copy of the presentation materials to be used by Mr. Schaefer is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information furnished in this Current Report on Form 8-K and the related information in the exhibit attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section and shall not be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in any such filing.

**Non-GAAP Financial Measures**

In evaluating the Company's business, the Company's management uses Adjusted EBITDA, Adjusted EBITDA Margin and Free Cash Flow, Adjusted Operating Income, Adjusted Net Income and Adjusted Earnings Per Share as supplemental measures of the Company's operating performance. The Company defines Adjusted EBITDA as net income plus interest expense, income tax expense, depreciation and amortization, stock-based compensation expense, pre-opening expenses, expenses related to bonuses paid as a result of the successful completion of the Company's initial public offering ("IPO"), bankruptcy-related expenses, expenses related to the acquisition of ten stores in fiscal year 2013 and start-up costs for our e-commerce platform. Adjusted EBITDA Margin means, for any period, the Adjusted EBITDA for that period divided by the net sales for that period. Free Cash Flow is calculated as Adjusted EBITDA less capital expenditures. The Company defines Adjusted Operating Income as income from operations plus expenses related to bonuses paid as a result of the successful completion of the Company's IPO, and Adjusted Net Income is defined as net income plus expenses related to bonuses paid as a result of the successful completion of the Company's IPO, less any tax benefits related to such bonuses. In addition, Adjusted Earnings Per Share reflects an adjusted weighted average share count, which assumes the Company's IPO was effective as of February 3, 2013.

The Company considers Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Adjusted Operating Income, Adjusted Net Income and Adjusted Earnings Per Share as important supplemental measures of the Company's operating performance and believes they are frequently used by analysts, investors and other interested parties in the evaluation of companies in the Company's industry. Other companies in the Company's industry, however, may calculate these measures differently than the Company. Management also uses Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Adjusted Operating Income, Adjusted Net Income and Adjusted Earnings Per Share as additional measurement tools for purposes of business decision-making, including evaluating store performance, developing budgets and managing expenditures.

Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Adjusted Operating Income, Adjusted Net Income and Adjusted Earnings Per Share are not defined under accounting principles generally accepted in the United States ("GAAP") and are not a measures of operating income, operating performance or liquidity presented in accordance with GAAP. These measures have limitations as analytical tools, and when assessing the Company's operating performance, you should not consider Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Adjusted Operating Income, Adjusted Net Income or Adjusted Earnings Per Share in isolation or as substitutes for measures of the Company's financial performance prepared in accordance with GAAP.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

99.1 Investor Presentation of Sportsman's Warehouse Holdings, Inc.

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SPORTSMAN'S WAREHOUSE HOLDINGS, INC.

Date: January 12, 2015

By: /s/ Kevan P. Talbot  
Kevan P. Talbot  
Chief Financial Officer and Secretary



# ICR XChange Conference

January 2015





# Forward Looking Statements & Non-GAAP Measures

In this presentation, we will make statements about our future plans and prospects, including statements about our financial position, financial targets, business strategy and store opening pipeline, that constitute forward-looking statements.

Actual results may differ materially from those indicated by these forward looking statements due to risks relating to our retail-based business model, general economic conditions and consumer spending, our concentration of stores in the Western United States, competition in the outdoor activities and sporting goods market, changes in consumer demands, our expansion into new markets and planned growth, current and future government regulations, risks related to our continued retention of our key management, our distribution center, quality or safety concerns about our merchandise, events that may affect our vendors, trade restrictions, and other factors that are set forth in our filings with the Securities and Exchange Commission (the "SEC"), including under the caption "Risk Factors" in our Quarterly Report on Form 10-Q for the quarter ended May 3, 2014, which was filed with the SEC on June 11, 2014 and our other public filings made with the SEC and available at [www.sec.gov](http://www.sec.gov). These factors should be considered carefully and undue reliance should not be placed on these forward-looking statements. We cannot ensure that actual results will not be materially different from those expressed or implied by these forward-looking statements.

In addition, all forward-looking statements represent our estimates only as of today and should not be relied upon as representing our estimates as of any subsequent date. While we may elect to update forward-looking statements at some point in the future, we specifically disclaim any obligation to do so, even if our estimates change.

In this presentation, we refer to "Adjusted EBITDA," "Adjusted EBITDA margin," "Free Cash Flow," "Adjusted Operating Income," "Adjusted Net Income," and "Adjusted EPS," which are not financial measures prepared in accordance with GAAP. For a reconciliation of these measures to the most directly comparable GAAP financial measure, see the Appendix to this presentation.

As used herein, unless the context otherwise requires, references to "Sportsman's Warehouse," "we," "us," and "our" refer to Sportsman's Warehouse Holdings, Inc. and its subsidiaries.



Our mission is to provide **outdoor enthusiasts, casual users, and first-time participants** with quality brand-name hunting, fishing, camping and shooting merchandise within a convenient shopping environment, serviced by **passionate, knowledgeable associates**, to create a memorable outdoor experience.



# Sportsman's Warehouse Overview

- High-growth outdoor sporting goods retailer
- One-stop shopping experience with **the right gear at the right time**
- Tailored merchandise and in-store events to meet local conditions and demand
- Passionate associates, highly knowledgeable about local market conditions
- Largest outdoor specialty store base in the Western US
- Adaptable store model suited to serve small and large markets
- Double-digit Adjusted EBITDA margins for fiscal 2013 in stores that had been open for more than 12 months
- **300+ store opportunity**



## Key Facts

|   |                  |                                      |                 |
|---|------------------|--------------------------------------|-----------------|
| <b>Year Founded</b>   | 1986             | <b><u>FY 2013:</u></b>               |                 |
| <b>Current Stores<sup>(1)</sup></b>                           | 55               | <b>Net Sales</b>                     | \$643.2 million |
| <b>States</b>   | 18               | <b>Gross Profit</b>                  | \$207.2 million |
| <b>Store Size (sq. ft.)</b>                                   | 30,000 to 65,000 | <b>Adjusted EBITDA<sup>(3)</sup></b> | \$70.7 million  |
| <b>Avg. 4-Wall Adj. EBITDA Margin in Year 1<sup>(2)</sup></b> | 14.3%            | <b>% margin<sup>(3)</sup></b>        | 11.0%           |

(1) As of November 1, 2014.

(2) Represents performance of twelve stores opened since 2010 that have been open for a full twelve months. Four-wall Adjusted EBITDA means, for any period, a particular store's Adjusted EBITDA, excluding any allocations of corporate selling, general and administrative expenses allocated to that store. Four-wall Adjusted EBITDA margin means, for any period, a store's four-wall Adjusted EBITDA divided by that store's net sales.

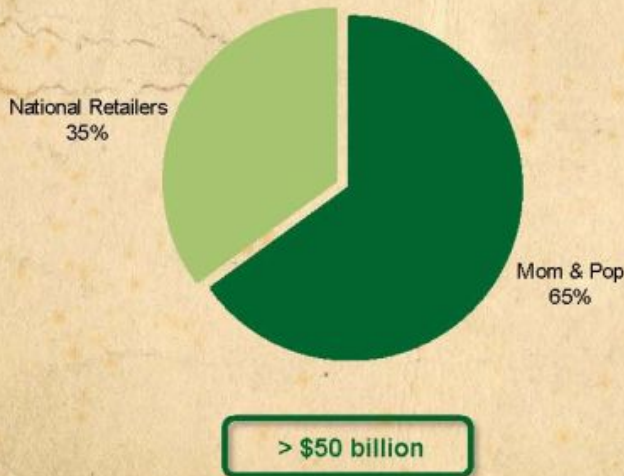
(3) Adjusted EBITDA is calculated as net income plus interest expense, income tax expense (benefit), depreciation and amortization, bankruptcy-related expenses (benefit), expenses related to the acquisition of ten stores in fiscal year 2013, start-up costs for our e-commerce platform, non-cash stock based compensation expense, and pre-opening expenses. See Appendix for a reconciliation of Adjusted EBITDA to net income. Adjusted EBITDA margin means, for any period, Adjusted EBITDA divided by net sales.



# Large, Growing and Highly-Fragmented Outdoor Sporting Goods Industry

- Industry size estimated to be in excess of **\$50 billion**
- Sportsman's Warehouse is one of a select number of pure play outdoor specialty retailers
- Mom & Pop retailers estimated to represent 65% of industry
- Participation rates are rising across many key demographics, especially among women
- User-driven industry

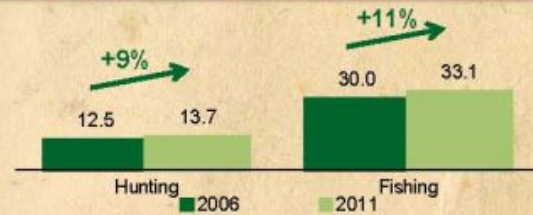
## Market Share – Retail Stores



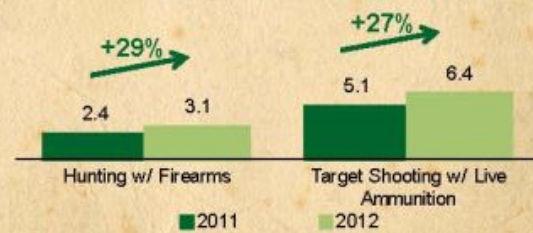
## Increasing Participation

(millions of participants)

### Long-term Trends in Outdoor Sporting Goods<sup>(1)</sup>



### Recent Tailwind from Female Participation<sup>(2)</sup>

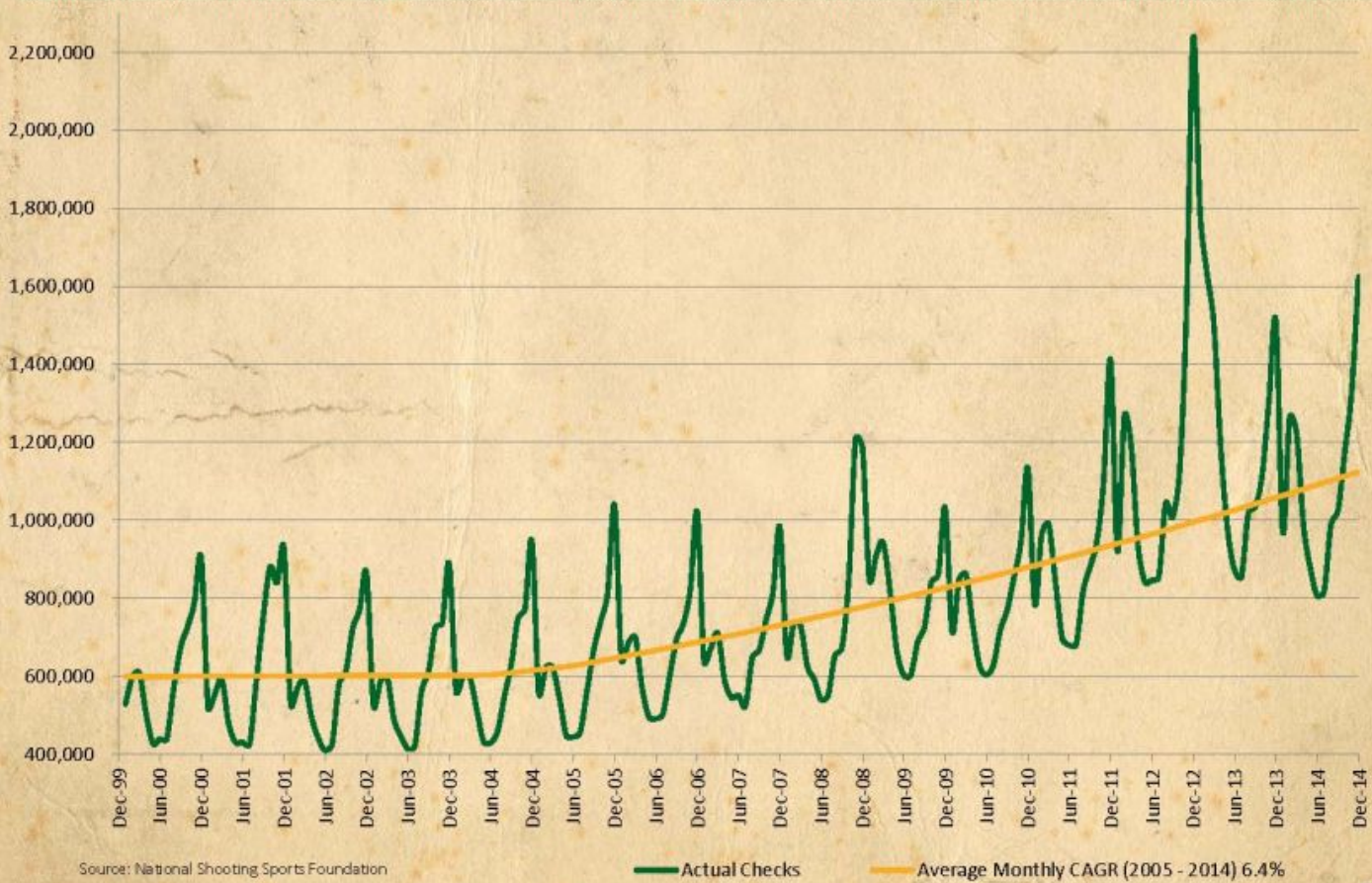


(1) U.S. Fish and Wildlife Service, 2011 and 2006 National Surveys.

(2) National Sporting Goods Association, Sports Participation in the United States, 2013 Edition.



# NSSF Adjusted NICS



Source: National Shooting Sports Foundation

Actual Checks

Average Monthly CAGR (2005 - 2014) 6.4%

# Unique Customer Value Proposition



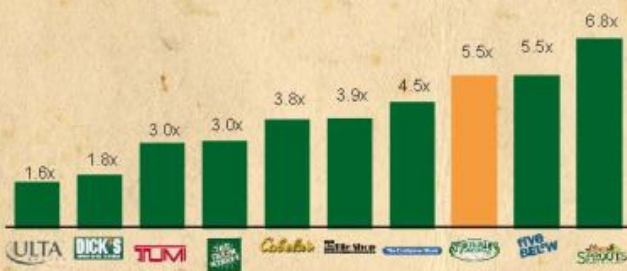
|   |  |  |  |  | <b>Mom &amp; Pop</b> |
|---|---|---|---|---|----------------------|
| <b>Western Penetration</b>              | 49 of 55 Stores   | 17 of 64 stores   | 8 of 70 stores  | 2 of 154 stores   | NA                   |
| <b>Depth of Merchandise Selection</b>   | One-stop<br>~70,000 SKUs  | One-stop<br>~160,000 SKUs   | One-stop<br>(NA)  | One-stop<br>(NA)  | Narrow               |
| <b>Customer Draw</b>                    | Convenience /<br>Destination  | Destination /<br>Entertainment  | Destination /<br>Entertainment  | Destination /<br>Convenience  | Convenience          |
| <b>Box Size (sq. ft)</b>                | 30k - 65k   | 40k - 246k  | 20k - 300k  | 21k - 123k  | NA                   |
| <b>Cost to Open New Units</b>           | Lower   | Higher  | Higher  | NA  | NA                   |
| <b>Branded Product Priority / Focus</b> | Higher  | Lower   | Lower   | NA  | Similar              |
| <b>Pricing Strategy</b>                 | Everyday Low<br>Prices  | Competitive   | Competitive   | Competitive   | Varies               |

Source: Company SEC filings and websites. Figures as of January 5, 2015.

# 300+ Store Opportunity with Attractive Store Economics



## Relative White Space<sup>(1)</sup>



## Low Initial Investment per Store



## Average New Store Payback Period (years)



## Superior Store-Level ROIC<sup>(3)</sup> Over Time



(1) Defined as total store base potential as a multiple of current store count. Data as of January 5, 2015.  
 (2) Cabela's does not report ROIC inclusive of initial inventory investment or the average amount of its initial inventory investment.  
 (3) Defined as average pre-tax actual cash-on-cash returns for new stores for the periods indicated. Figures are based on publicly available data. (\*) represents a target ROIC.  
 (4) Represents ROIC during the first twelve months of operations of the twelve stores opened since 2010 that have been open for a full twelve months.

# Investment Highlights



- 1 Differentiated Outdoor Specialty Retail Experience
- 2 Comprehensive, Locally Relevant Product Assortment and Merchandising Strategy
- 3 Disciplined and Adaptable Real Estate Strategy
- 4 Low Cost, High Return Operating Structure with Attractive and Replicable Store Economics
- 5 Passionate and Experienced Management Team with Proven Track Record



# Differentiated Shopping Experience and Engaging and Highly Knowledgeable Sales Associates

- Conveniently Located Stores with Easy-In, Easy-Out Access
- Locally Relevant Features
- Store Layout is Easy to Navigate with Wide Aisles and Clear Signage
- Test Latest Equipment
- Highly Trained and Passionate Employees with Experienced and "Localized" Knowledge





# Locally Relevant Merchandising Strategy

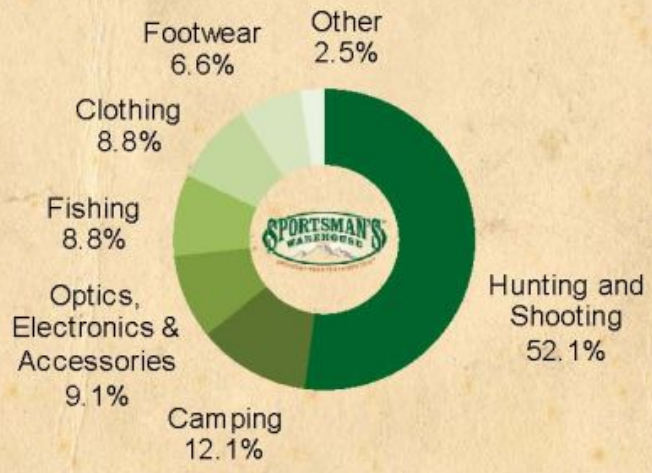
- Deep selection of branded merchandise from well-known manufacturers
- Consumables generate ~35% of unit sales and 20% of dollar sales
- Approximately 30% of our products are shielded from internet competition via regulatory restrictions on online sale
- Locally tailored merchandise mix reflecting seasonal requirements and key demographic and topographical factors
- "Good, Better, Best" product strategy with an emphasis on "Better"
- Competitive, every day low prices
- Our "Blue Room" allows us to partner with our ~1,400 vendors to train all sales associates simultaneously about the unique features of our products





# Depth and Breadth of Branded Products Across Our Six Major Departments

**FY 2013 Product Breakdown (% of sales)**



**FY 2013 Net Sales: \$643.2 million**

**Private Label**  
Less than 2% of sales



# Disciplined, Analytics-Driven Real Estate Strategy Maximizes Coverage and Returns

## Rigorous Site Selection Process

- Analyze market characteristics and economic viability with local real estate firms and internal committee
  - Density of hunting / fishing license holders
  - Abundance of outdoor recreation areas
- Flexible store model is adaptable to variety of real estate venues
  - Stores may be free-standing or located in power, neighborhood or lifestyle centers
- Low initial capital investment and “no frills” concept provide further flexibility
  - Convenient, easily accessible locations designed for supply replenishment
  - Ability to open multiple stores in local areas within major MSAs
- All stores are profitable, including near double-digit 4-wall Adjusted EBITDA margins for the trailing twelve months ended November 1, 2014 in all stores that had been open for more than 12 months.

(1) Total store count as of November 1 2014.

(2) Represents performance of twelve stores opened since 2010 that have been open for a full twelve months.

## Profitably Serve Small and Large MSAs with Attractive Economics

### Store Distribution

| MSA Population Size | Current Sportsman's Warehouse Stores |
|---------------------|--------------------------------------|
| Less than 100k      | 13                                   |
| 100k - 250k         | 13                                   |
| 250k - 500k         | 7                                    |
| 500k - 1 million    | 9                                    |
| 1 million or higher | 13                                   |
| <b>Total</b>        | <b>55<sup>(1)</sup></b>              |

### New Store Economics

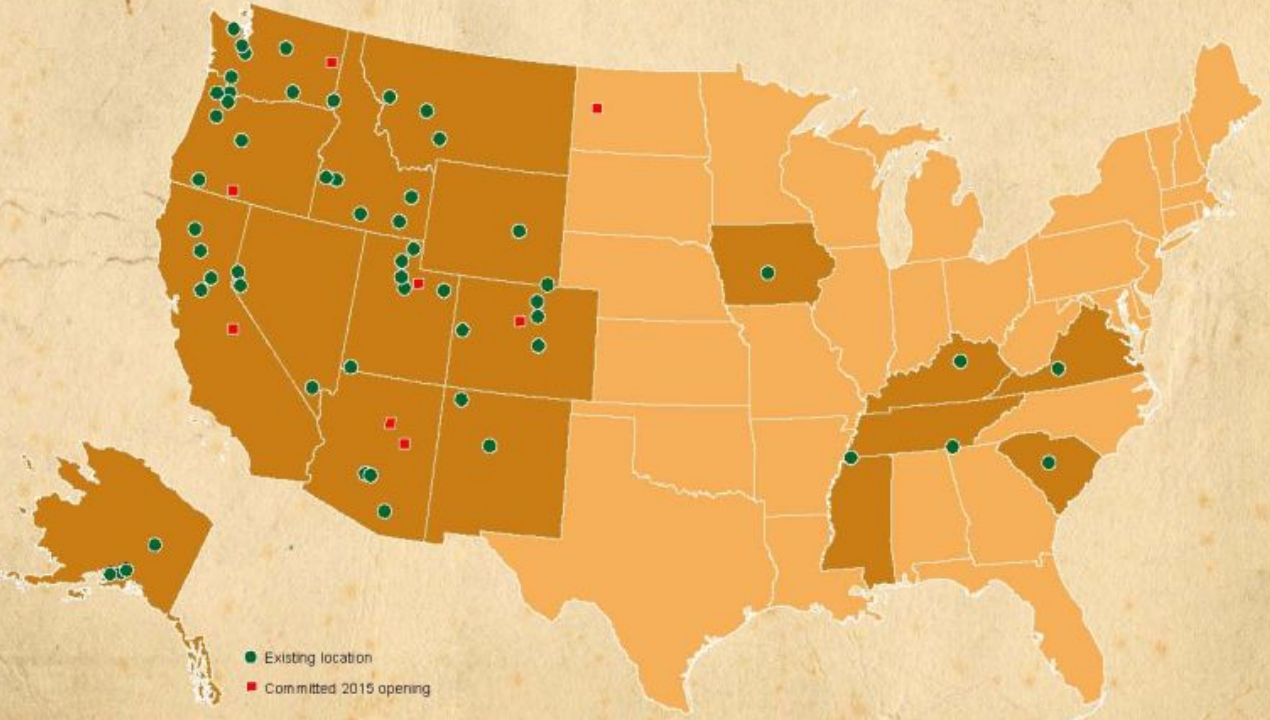
|   |                            |                            |
|---|----------------------------|----------------------------|
| <b>Net Investment</b>                     | \$2.0 million              |                            |
| <b>Initial Inventory</b>                  | \$2.4 million              |                            |
|   | <u>Excluding Inventory</u> | <u>Including Inventory</u> |
| <b>Year 1 ROIC<sup>(2)</sup></b>          | 121.6%                     | 38.7%                      |
| <b>Avg. Pre-Tax Payback<sup>(2)</sup></b> | < 1 year                   | < 2.5 years                |



# Opportunities in Existing and New Markets; “First-Mover” in Smaller MSAs, and Fill-In Competitive Markets



Potential to increase store base to more than 300<sup>(1)</sup> stores nationally; Our low-cost model allows us to operate multiple stores to surround a competitor's single, higher-cost unit, while we continue to satisfy our return hurdles



● Existing location  
■ Committed 2015 opening

(1) Per Buxton Company research.



# Passionate and Experienced Management Team with Proven Track Record

| Name                  | Position                             | Years at Sportsman's Warehouse | Background  |
|-----------------------|--------------------------------------|--------------------------------|---|
| <b>John Schaefer</b>  | Chief Executive Officer              | 5                              | <ul style="list-style-type: none"> <li>Directed successful consumer and E-Commerce retail companies including Eastbay, Cornerstone Brands and Team Express</li> <li>Received a BBA in Business Administration from the University of Wisconsin; former CPA</li> </ul>   |
| <b>Kevan Talbot</b>   | Chief Financial Officer              | 13                             | <ul style="list-style-type: none"> <li>Served as the Controller and Vice President of Finance for Sportsman's prior to CFO</li> <li>Began career in audit and business advisory at Arthur Andersen LLP and is a CPA</li> <li>Holds a Bachelor of Science degree and a Master of Accountancy degree from Brigham Young University</li> </ul> |
| <b>Jeremy Sage</b>    | Senior Vice President, Stores        | 14                             | <ul style="list-style-type: none"> <li>Joined Sportsman's Warehouse as a Store Manager and also worked as a District Manager before assuming the Senior Vice President role</li> </ul>  |
| <b>Larry Knight</b>   | Senior Vice President, Merchandising | 17                             | <ul style="list-style-type: none"> <li>Has worked in the sporting goods industry for over 24 years, including various positions at Sportsman's Warehouse before assuming the Senior Vice President role</li> <li>Holds a Bachelor of Science degree in Business Administration from Southern Utah University</li> </ul>                     |
| <b>Karen Seaman</b>   | Chief Marketing Officer              | 5                              | <ul style="list-style-type: none"> <li>Has worked in the retail field for more than 23 years</li> <li>Holds a bachelor's degree from Western Michigan University and an MBA from University of Dayton</li> </ul>  |
| <b>Mike Van Orden</b> | Chief Technology Officer             | 14                             | <ul style="list-style-type: none"> <li>Has worked in information technology for over 25 years</li> <li>Holds a Bachelor of Science degree in Business Management from the University of Utah</li> </ul>   |
| <b>Matthew French</b> | Vice President, Compliance           | 18                             | <ul style="list-style-type: none"> <li>Has worked in the sporting goods industry for over 20 years, including various positions at Sportsman's Warehouse involving management of the hunting department</li> <li>Holds Bachelor of Science degree in Economics from Montana State University</li> </ul>                                     |
| <b>Travis Mann</b>    | Vice President, Field Merchandising  | 15                             | <ul style="list-style-type: none"> <li>Joined Sportsman's Warehouse as a Hunting Manager and also worked as a store manager</li> <li>Most recently served as District Manager before assuming Vice President role</li> </ul>  |
| <b>Steve Coffey</b>   | Vice President, Business Development | 21                             | <ul style="list-style-type: none"> <li>Joined Sportsman's as a fishing department buyer and also worked as the Manager of the fishing department of the Midvale, Utah store before assuming the Vice President role</li> <li>Has worked in the merchandising and buying field for over 19 years</li> </ul>                                  |

# Growth Strategy

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**1** Capitalize on New Store Growth Opportunity Within Existing and New Markets

**2** Increase Same Store Sales Growth through In-Store Initiatives

**3** Grow the Sportsman's Warehouse Brand

**4** Continue to Enhance Operating Margins



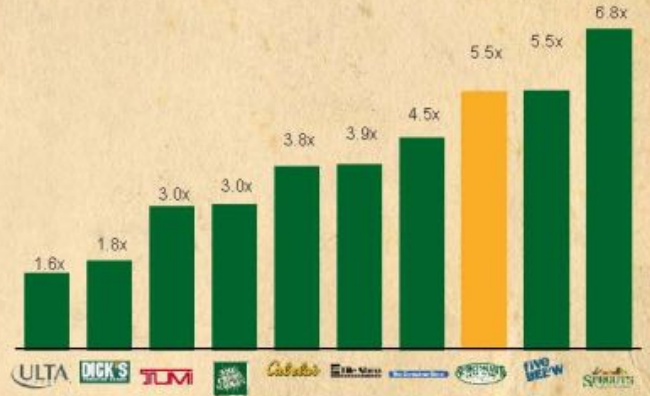
# Significant White Space Potential

## Significant White Space Opportunity

Number of Sportsman's Warehouse stores



## Relative White Space<sup>(1)</sup>



## New Store Pipeline

- Eight committed openings in FY 2015 on top of eight new stores in FY 2014
- Plan to grow store base at a rate of 8+ stores annually for the next several years
- Existing infrastructure, including IT, loss prevention and employee training, is scalable to support our growth up to an estimated 100 stores without significant additional capital investment

Source: Company SEC filings, investor presentations, websites and earnings call transcripts; Buxton research.  
 (1) Defined as total store base potential as a multiple of current store count. Store counts/white space estimates as of January 5, 2015.



## In-Store Initiatives Driving Same Store Sales Growth

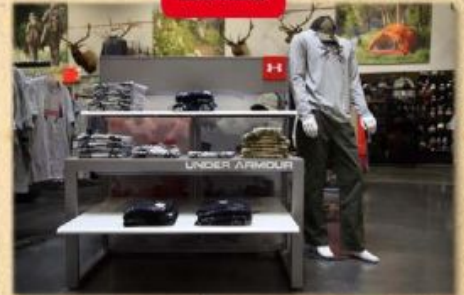
- Increased selling square footage implemented fixturing program in all stores
  - Facilitates roll-out of store-within-a-store clothing programs
- Launch of loyalty card program (Nov. 2013)
- Computerized kiosks to expand in-store assortment
- In-store pickup



 **Columbia**



**carhartt** 





# Grow the Sportsman's Warehouse Brand

## Effective "Localized" Advertising

### Regional Inserts

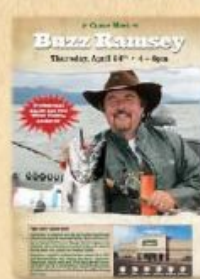


### Billboards



- Marketing budget is ~1% of sales

## Grass Roots Campaigns



## In-Store and Off-Site Events



Ladies Night



- Hold ~2,500 events annually

## Digital / E-Commerce Strategy



- ~13 million total visitors to website during FY 2013
- Numerous product videos and how-to videos available for public viewing



# Continue to Enhance our Operating Margins

## ■ Improve gross margins through:

- Expanding higher margin clothing and footwear departments
- Expanding private label offerings from 2.4% in Q314
- Improving buying opportunities with vendors
- Coordinating pricing strategies across stores and buying group

## ■ Improve Adjusted EBITDA margins by:

- Increasing flow-through of higher gross margin products
- Leveraging existing infrastructure, supply chain, corporate overhead and other fixed costs

### Gross Profit and Margin



### Adjusted EBITDA<sup>(1)</sup> and Margin



### Maximizing flow-through of gross profit to Adjusted EBITDA

(1) Adjusted EBITDA is calculated as net income plus interest expense, income tax expense (benefit), depreciation and amortization, bankruptcy-related expenses (benefit), expenses related to the acquisition of ten stores in fiscal year 2013, start-up costs for our e-commerce platform, non-cash stock based compensation expense, pre-opening expenses and expenses related to bonuses paid as a result of the successful completion of our IPO. See Appendix for a reconciliation of Adjusted EBITDA to net income. Adjusted EBITDA margin means, for any period, Adjusted EBITDA divided by net sales.

(2) YTD indicates the 39 weeks ended November 2, 2013 or the 39 weeks ended November 1, 2014.

## Financial Highlights



# Historical Financial Overview



## Net Sales and Store Count

(\$ in millions)



## Same Store Sales

(% increase over prior year)



## Gross Profit

(\$ in millions)



## Adjusted EBITDA<sup>(1)</sup>

(\$ in millions)



Note: FY 2012 reflects 53 weeks of operations.

(1) Adjusted EBITDA is calculated as net income plus interest expense, income tax expense (benefit), depreciation and amortization, bankruptcy-related expenses (benefit), expenses related to the acquisition of ten stores in fiscal year 2013, start-up costs for our e-commerce platform, non-cash, stock based compensation expense, pre-opening expenses and expenses related to bonuses paid as a result of the successful completion of our IPO. See Appendix for a reconciliation of Adjusted EBITDA to net income. Adjusted EBITDA margin means, for any period, Adjusted EBITDA divided by net sales.

(2) YTD indicates the 39 weeks ended November 2, 2013 or the 39 weeks ended November 1, 2014.

# Capitalization, Capital Expenditures and Free Cash Flow



## Capitalization

### Q3 2014 (Pro Forma) <sup>(4)</sup>

| (\$ in millions)             | 11/1/2014      | xAdj. EBITDA <sup>(2)</sup> |
|------------------------------|----------------|-----------------------------|
| Cash and Cash Equivalents    | \$1.7          |                             |
| ABL Working Capital Facility | 62.9           | 1.0x                        |
| Term loan (\$160m)           | 156.3          | 2.4x                        |
| <b>Total Debt</b>            | <b>\$219.2</b> | <b>3.4x</b>                 |

## Capital Expenditures

(\$ in millions)



## Free Cash Flow<sup>(1)</sup>

(\$ in millions)



- (1) Free Cash Flow calculated as Adjusted EBITDA less capital expenditures. See Appendix for a reconciliation of Free Cash Flow to Net Income.  
 (2) Based on Adj. EBITDA for the 12 months ended 11/1/2014. Total debt ratio may differ from the sum of the components due to rounding.  
 (3) Includes \$4.5 million for fixed assets in connection with the acquisition of our ten previously operated stores in Montana, Oregon and Washington.  
 (4) Assumes that the December 3, 2014 refinance of our term loan occurred on November 1, 2014.  
 (5) YTD indicates the 39 weeks ended November 1, 2014.

# Long-Term Financial Targets<sup>(1)</sup>



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|                                      |                |
|--------------------------------------|----------------|
| <b>Unit Growth</b>                   | <b>&gt;10%</b> |
| <b>Comparable Store Sales Growth</b> | <b>2 - 3%</b>  |
| <b>Total Revenue Growth</b>          | <b>&gt;10%</b> |
| <b>EBITDA Growth</b>                 | <b>15%</b>     |
| <b>Net Income Growth</b>             | <b>25%</b>     |

(1) Targets assume a minimum of 10% four-wall Adjusted EBITDA margin and a minimum ROIC of 50% excluding initial inventory costs (or 20% including initial inventory cost) for the first twelve months of operations for a new store.

## Appendix: GAAP Reconciliations



# Reconciliation of Net Income to Adjusted EBITDA and Free Cash Flow

| (\$ in thousands)  | Fiscal Year Ended |                  |                  |                  |
|--|-------------------|------------------|------------------|------------------|
|  | January 29, 2011  | January 28, 2012 | February 2, 2013 | February 1, 2014 |
| <b>Net Income</b>  | <b>\$5,244</b>    | <b>\$33,694</b>  | <b>\$28,074</b>  | <b>\$21,750</b>  |
| Plus:  |                   |                  |                  |                  |
| (+) Interest expense                                     | 5,676             | 4,392            | 6,321            | 25,447           |
| (+) Income tax expense (benefit)                         | –                 | (11,467)         | 19,076           | 12,838           |
| (+) Depreciation and amortization                        | 2,488             | 3,108            | 3,431            | 6,277            |
| (+) Stock-based compensation <sup>(1)</sup>              | –                 | –                | –                | 365              |
| (+) Pre-opening expenses <sup>(2)</sup>                  | 322               | 774              | 1,441            | 1,653            |
| (+) Bankruptcy-related expenses (benefit) <sup>(3)</sup> | 3,536             | 919              | (263)            | 55               |
| (+) Acquisition expenses <sup>(4)</sup>                  | –                 | –                | 959              | 2,331            |
| (+) E-commerce start-up costs                            | 100               | 126              | –                | –                |
| <b>Adjusted EBITDA</b>                                   | <b>\$17,366</b>   | <b>\$31,546</b>  | <b>\$59,039</b>  | <b>\$70,716</b>  |
| (–) Capital expenditures                                 |                   | 6,651            | 6,856            | 24,916           |
| <b>Free Cash Flow</b>                                    |                   | <b>\$24,895</b>  | <b>\$52,183</b>  | <b>\$45,800</b>  |

(1) Stock-based compensation expense is a non-cash expense related to the issuance of restricted stock units by the Company in November 2013.

(2) Pre-opening expenses include expenses incurred in the preparation and opening of a new store location, such as payroll, travel and supplies, but do not include the cost of the initial inventory or capital expenditures required to open a location. For the periods presented, these pre-opening costs were not concentrated in any quarter.

(3) We incurred certain costs related to our restructuring and emergence from Chapter 11 bankruptcy and included a liability as part of the reorganization value at August 14, 2009, the date of emergence from bankruptcy. Bankruptcy-related expenses are those amounts that are greater than the initial estimated restructuring costs, whereas bankruptcy-related benefits are those amounts that are less than the initial estimated costs. They are expensed as incurred.

(4) Acquisition expenses for fiscal year 2013 relate to the costs associated with the acquisition of our ten previously operated stores in Montana, Oregon, and Washington. Acquisition expenses for fiscal year 2012 relate to legal and consulting expenses related to potential merger and acquisition activity.

# GAAP and Non-GAAP Measures (Unaudited)



|  | For the Thirteen Weeks Ended |                  | For the Thirty-Nine Weeks Ended |                  |
|--|------------------------------|------------------|---------------------------------|------------------|
|  | November 1, 2014             | November 2, 2013 | November 1, 2014                | November 2, 2013 |
| Income from operations   | \$18,625                     | \$16,983         | \$30,747                        | \$43,649         |
| IPO bonus <sup>(1)</sup>                                       | -                            | -                | 2,200                           | -                |
| <b>Adjusted income from operations</b>                         | <b>18,625</b>                | <b>16,983</b>    | <b>32,947</b>                   | <b>43,649</b>    |
| Net income   | \$8,916                      | \$2,222          | \$10,611                        | \$14,337         |
| IPO bonus <sup>(1)</sup>                                       | -                            | -                | 2,200                           | -                |
| Less tax benefit related to IPO bonus                          | -                            | -                | (847)                           | -                |
| Refinance related costs <sup>(2)</sup>                         | -                            | 8,080            | -                               | 8,080            |
| Less tax benefit related to refinance related costs            | -                            | (3,200)          | -                               | (3,200)          |
| <b>Adjusted net income</b>                                     | <b>\$8,916</b>               | <b>\$7,102</b>   | <b>\$11,964</b>                 | <b>\$19,217</b>  |
| Diluted weighted average shares outstanding                    | 41,931                       | 33,229           | 39,553                          | 33,229           |
| Adjust weighting factor of outstanding shares <sup>(3)</sup>   | -                            | 8,683            | 2,476                           | 8,683            |
| <b>Adjusted diluted weighted average shares outstanding</b>    | <b>41,931</b>                | <b>41,912</b>    | <b>42,029</b>                   | <b>41,912</b>    |
| Earnings per share   | \$0.21                       | \$0.07           | \$0.27                          | \$0.43           |
| Impact of adjustments to numerator and denominator             | -                            | 0.10             | 0.01                            | 0.03             |
| <b>Adjusted earnings per share</b>                             | <b>\$0.21</b>                | <b>\$0.17</b>    | <b>\$0.28</b>                   | <b>\$0.46</b>    |
| <b>Reconciliation of net income (loss) to adjusted EBITDA:</b> |                              |                  |                                 |                  |
| Net income   | \$8,916                      | \$2,222          | \$10,611                        | \$14,337         |
| Interest expense   | 4,122                        | 13,302           | 13,487                          | 19,895           |
| Income tax expense   | 5,587                        | 1,459            | 6,649                           | 9,417            |
| Depreciation and amortization                                  | 2,468                        | 1,929            | 6,538                           | 4,355            |
| Stock-based compensation expense <sup>(4)</sup>                | 522                          | -                | 2,780                           | -                |
| Pre-opening expenses <sup>(5)</sup>                            | 230                          | 234              | 2,359                           | 1,071            |
| IPO bonus <sup>(1)</sup>                                       | -                            | -                | 2,200                           | -                |
| Bankruptcy-related expenses <sup>(6)</sup>                     | -                            | -                | -                               | 55               |
| Acquisition expenses <sup>(7)</sup>                            | -                            | 7                | -                               | 2,331            |
| <b>Adjusted EBITDA</b>   | <b>\$21,845</b>              | <b>\$19,153</b>  | <b>\$44,624</b>                 | <b>\$51,461</b>  |



## GAAP and Non-GAAP Measures (Unaudited) Key Notes and Assumptions

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- (1) As a result of the completion of our initial public offering and pursuant to the terms of the employment agreements with our executive officers, we paid \$2.2 million in bonuses to our executive officers.
- (2) Refinance related costs are one time expenses associated with the prepayment penalty and write off of the issuance discount and other deferred financing costs associated with the August 20, 2013 refinance of the Company's term loan.
- (3) Assumes our IPO was effective as of February 3, 2013, the first day of our fiscal year 2013.
- (4) Stock-based compensation expense represents non-cash expenses related to equity instruments granted to employees under our 2013 Performance Incentive Plan.
- (5) Pre-opening expenses include expenses incurred in the preparation and opening of a new store location, such as payroll, travel and supplies, but do not include the cost of the initial inventory or capital expenditures required to open a location.
- (6) On March 21, 2009, Sportsman's Warehouse Holdings, Inc. and its subsidiaries filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code, seeking to reorganize the business under the provisions of the Bankruptcy Code. The plan of reorganization under the Bankruptcy Code was confirmed by the United States Bankruptcy Court for the District of Delaware on July 30, 2009 and became effective when all material conditions of the plan of reorganization were satisfied on August 14, 2009. We incurred certain costs related to our restructuring and emergence from Chapter 11 bankruptcy and included a liability as part of the reorganization value at August 14, 2009, the date of emergence from bankruptcy. Bankruptcy-related expenses are those amounts that are greater than the initial estimated restructuring costs, whereas bankruptcy-related benefits are those amounts that are less than the initial estimated costs. They are expensed as incurred.
- (7) Acquisition expenses for the 39 and 13 weeks ended November 2, 2013 relate to the costs associated with the acquisition in March 2013 of our ten previously operated stores in Montana, Oregon and Washington.