

CACHE, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

05-Mar-10

ASSETS	January 2, 2010	December 27, 2008
Current assets:		
Cash and equivalents	\$ 5,516,000	\$ 4,835,000
Marketable securities	29,999,000	25,153,000
Certificate of deposits - restricted	1,500,000	0
Receivables, net	3,411,000	3,898,000
Income tax receivable	3,438,000	5,883,000
Inventories, net	16,599,000	22,321,000
Prepaid expenses and other current assets	4,943,000	1,795,000
Total current assets	<u>65,406,000</u>	<u>63,885,000</u>
Equipment and leasehold improvements, net	31,713,000	43,320,000
Goodwill	9,092,000	9,092,000
Intangible assets, net	102,000	1,304,000
Other assets	4,684,000	1,924,000
Total assets	<u>\$ 110,997,000</u>	<u>\$ 119,525,000</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 7,624,000	\$ 6,375,000
Note payable	1,408,000	1,259,000
Accrued compensation	2,668,000	1,713,000
Accrued liabilities	11,783,000	11,077,000
Total current liabilities	<u>23,483,000</u>	<u>20,424,000</u>
Note payable	1,425,000	3,143,000
Other liabilities	15,806,000	16,795,000
Commitments and contingencies		
STOCKHOLDERS' EQUITY		
Common stock	164,000	164,000
Additional paid-in capital	47,555,000	47,155,000
Retained earnings	62,359,000	71,053,000
Treasury stock, at cost	<u>(39,795,000)</u>	<u>(39,209,000)</u>
Total stockholders' equity	<u>70,283,000</u>	<u>79,163,000</u>
Total liabilities and stockholders' equity	<u>\$ 110,997,000</u>	<u>\$ 119,525,000</u>

05-Mar-10

CACHE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	53 Weeks Ended January 2, 2010	52 Weeks Ended December 27, 2008
	<u> </u>	<u> </u>
Net sales	\$ 219,775,000	\$ 265,728,000
Cost of sales, including buying and occupancy	<u>131,990,000</u>	<u>156,036,000</u>
Gross profit	<u>87,785,000</u>	<u>109,692,000</u>
Expenses		
Store operating expenses	79,167,000	95,339,000
General and administrative expenses	18,341,000	21,296,000
Exit costs	(65,000)	2,757,000
Impairment charges	2,744,000	2,137,000
Employee separation charge	<u>1,987,000</u>	<u>0</u>
Total expenses	<u>102,174,000</u>	<u>121,529,000</u>
Operating loss	(14,389,000)	(11,837,000)
Other income (expense):		
Interest expense	(186,000)	(243,000)
Interest income	<u>218,000</u>	<u>706,000</u>
Loss before income taxes	(14,357,000)	(11,374,000)
Income tax benefit	<u>(5,663,000)</u>	<u>(4,252,000)</u>
Net loss	<u>\$ (8,694,000)</u>	<u>\$ (7,122,000)</u>
Basic loss per share	<u> (\$0.68)</u>	<u> (\$0.53)</u>
Diluted loss per share	<u> (\$0.68)</u>	<u> (\$0.53)</u>
Basic weighted average shares outstanding	<u>12,795,000</u>	<u>13,329,000</u>
Diluted weighted average shares outstanding	<u>12,795,000</u>	<u>13,329,000</u>

CACHE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	14 Weeks Ended January 2, 2010	13 Weeks Ended December 27, 2008
Net sales	\$ 64,962,000	\$ 65,908,000
Cost of sales, including occupancy and buying costs	<u>38,416,000</u>	<u>44,437,000</u>
Gross profit	<u>26,546,000</u>	<u>21,471,000</u>
Costs and expenses		
Store operating expenses	21,327,000	23,598,000
General and administrative expenses	5,000,000	4,620,000
Exit costs	(65,000)	0
Impairment charge	2,744,000	2,137,000
Employee separation charge	<u>(134,000)</u>	<u>0</u>
Total expenses	<u>28,872,000</u>	<u>30,355,000</u>
Operating loss	<u>(2,326,000)</u>	<u>(8,884,000)</u>
Other income (expense):		
Interest expense	(40,000)	(54,000)
Interest income	<u>40,000</u>	<u>94,000</u>
Loss before income taxes	(2,326,000)	(8,844,000)
Income tax benefit	<u>(1,165,000)</u>	<u>(3,316,000)</u>
Net loss	<u>\$ (1,161,000)</u>	<u>\$ (5,528,000)</u>
Basic loss per share	<u>(\$0.09)</u>	<u>(\$0.42)</u>
Diluted loss per share	<u>(\$0.09)</u>	<u>(\$0.42)</u>
Basic weighted average shares outstanding	<u>12,751,000</u>	<u>13,200,000</u>
Diluted weighted average shares outstanding	<u>12,751,000</u>	<u>13,200,000</u>