

CACHE, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

ASSETS

	<u>December 27, 2003</u>	<u>January 1, 2005</u>
CURRENT ASSETS		
Cash and equivalents	\$ 16,887,000	\$ 16,848,000
Marketable securities	19,746,000	25,874,000
Receivables, net	4,614,000	6,545,000
Inventories	26,724,000	32,296,000
Deferred income taxes and other tax assets	936,000	567,000
Prepaid expenses	1,239,000	1,851,000
Total Current Assets	<u>70,146,000</u>	<u>83,981,000</u>
EQUIPMENT AND LEASEHOLD IMPROVEMENTS, net	33,048,000	47,118,000
OTHER ASSETS	<u>873,000</u>	<u>832,000</u>
Total Assets	<u>\$ 104,067,000</u>	<u>\$ 131,931,000</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		
Accounts payable	\$ 14,362,000	\$ 17,055,000
Accrued compensation	4,675,000	1,927,000
Accrued liabilities	10,075,000	11,627,000
Total Current Liabilities	<u>29,112,000</u>	<u>30,609,000</u>
OTHER LIABILITIES	9,126,000	13,556,000
DEFERRED INCOME TAXES, net	687,000	2,926,000
STOCKHOLDERS' EQUITY		
Common stock	100,000	157,000
Additional paid-in capital	28,361,000	34,705,000
Retained earnings	36,681,000	49,978,000
Total Stockholders' Equity	<u>65,142,000</u>	<u>84,840,000</u>
Total Liabilities and Stockholders' Equity	<u>\$ 104,067,000</u>	<u>\$ 131,931,000</u>

CACHE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	52 Weeks Ended	53 Weeks Ended
	DECEMBER 27, 2003	JANUARY 1, 2005
NET SALES	\$ 216,256,000	\$ 247,300,000
COST OF SALES, including buying and occupancy	120,731,000	135,745,000
GROSS PROFIT	95,525,000	111,555,000
EXPENSES		
Store operating expenses	63,546,000	76,466,000
General and administrative expenses	14,074,000	14,221,000
TOTAL EXPENSES	77,620,000	90,687,000
OPERATING INCOME	17,905,000	20,868,000
OTHER INCOME (EXPENSE)		
Interest income	259,000	439,000
Miscellaneous income (net)	14,000	20,000
TOTAL OTHER INCOME	273,000	459,000
INCOME BEFORE INCOME TAXES	18,178,000	21,327,000
INCOME TAX PROVISION	7,089,000	8,030,000
NET INCOME	\$ 11,089,000	\$ 13,297,000
BASIC EARNINGS PER SHARE	\$0.78	\$0.85
DILUTED EARNINGS PER SHARE	\$0.75	\$0.83
BASIC WEIGHTED AVERAGE SHARES OUTSTANDING	14,256,000	15,589,000
DILUTED WEIGHTED AVERAGE SHARES OUTSTANDING	14,721,000	16,004,000
NUMBER OF STORES OPEN AT END OF PERIOD	255	291

CACHE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	13 Weeks Ended	14 Weeks Ended
	DECEMBER 27, 2003	JANUARY 1, 2005
NET SALES	\$ 64,622,000	\$ 78,589,000
COST OF SALES, including buying and occupancy	34,270,000	41,467,000
GROSS PROFIT	30,352,000	37,122,000
EXPENSES		
Store operating expenses	17,462,000	22,842,000
General and administrative expenses	4,169,000	4,704,000
TOTAL EXPENSES	21,631,000	27,546,000
OPERATING INCOME	8,721,000	9,576,000
OTHER INCOME (EXPENSE)		
Interest income	67,000	130,000
Miscellaneous income (net)	0	0
TOTAL OTHER INCOME	67,000	130,000
INCOME BEFORE INCOME TAXES	8,788,000	9,706,000
INCOME TAX PROVISION	3,495,000	3,498,000
NET INCOME	\$ 5,293,000	\$ 6,208,000
BASIC EARNINGS PER SHARE	\$0.35	\$0.40
DILUTED EARNINGS PER SHARE	\$0.34	\$0.39
BASIC WEIGHTED AVERAGE SHARES OUTSTANDING	14,955,000	15,645,000
DILUTED WEIGHTED AVERAGE SHARES OUTSTANDING	15,470,000	16,060,000
NUMBER OF STORES OPEN AT END OF PERIOD	255	291