Burlington Stores, Inc.
Form 424B3
October 08, 2014
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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-199176

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee (1)
Common Stock, par value $0.0001 per share	8,000,000	$38.10	$304,800,000	$35,417.76

(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended.

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PROSPECTUS SUPPLEMENT (to Prospectus dated October 6, 2014)

8,000,000 Shares

Burlington Stores, Inc.

Common Stock

The selling stockholders named in this prospectus supplement are offering up to 8,000,000 shares of our common stock. All of the shares of our common stock in this offering are being sold by the selling stockholders identified in this prospectus supplement. We will not receive any of the proceeds from the sale of the shares being sold by the selling stockholders.

Shares of our common stock, par value $0.0001 per share, are traded on the New York Stock Exchange (the NYSE), under the symbol BURL. On October 3, 2014, the last reported sale price of our common stock on the NYSE was $39.66 per share.

The underwriter is purchasing the shares of common stock from the selling stockholders at $38.10 per share (representing approximately $304.8 million of gross proceeds to the selling stockholders). The underwriter may offer the shares of common stock from time to time for sale in one or more transactions on the New York Stock Exchange, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. See Underwriting.

Investing in our common stock involves risks. See Risk Factors beginning on page S-16 of this prospectus supplement to read about risks that you should consider before buying shares of our common stock.

You should carefully read this prospectus supplement and the accompanying prospectus, together with the documents we incorporate by reference, before you invest in our common stock.

Delivery of the common stock will be made on or about October 10, 2014.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement. Any

representation to the contrary is a criminal offense.

J.P. Morgan

The date of this prospectus supplement is October 6, 2014.

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Prospectus Supplement

Prospectus

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ABOUT THIS PROSPECTUS SUPPLEMENT AND PROSPECTUS

This prospectus supplement and the accompanying prospectus form part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission (the SEC), using a shelf registration process. This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering. The second part is the accompanying prospectus, which contains more general information. You should read both this prospectus supplement and the accompanying prospectus, together with additional information described below under the caption Where You Can Find More Information.

If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely upon the information in this prospectus supplement. Any statement made in this prospectus supplement or in a document incorporated or deemed to be incorporated by reference in this prospectus supplement will be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement or in any other subsequently filed document that is also incorporated or deemed to be incorporated by reference in this prospectus supplement modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

We are responsible for the information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus and any related free writing prospectus we have authorized for use in connection with this offering. This prospectus supplement may be used only for the purpose for which it has been prepared. Neither we nor any underwriter has authorized anyone to provide information different from that contained in this prospectus supplement, the accompanying prospectus and any related free writing prospectus and the documents incorporated by reference herein and therein.

We are not, and the underwriters are not, making an offer to sell our common stock in any jurisdiction where the offer or sale is not permitted. You should not assume that the information appearing in this prospectus supplement, the accompanying prospectus, any free writing prospectus we have authorized for use in connection with this offering is accurate as of any date other than the date of the applicable document. Our business, financial condition, results of operations, and prospects may have changed since that date. Neither this prospectus supplement nor the accompanying prospectus constitutes an offer, or an invitation on our behalf or on behalf of the underwriters, to subscribe for and purchase any of the securities, and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

We are incorporating by reference specified documents that we file with the SEC, which means that we can disclose important information to you by referring you to those documents that are considered part of this prospectus supplement. We incorporate by reference into this prospectus supplement the documents listed below (other than portions of these documents that are described in paragraphs (d)(1), (d)(2), (d)(3) or (e)(5) of Item 407 of Regulation S-K promulgated by the SEC).

- Our Annual Report on Form 10-K for the year ended February 1, 2014 (filed with the SEC on March 31, 2014);

Our Quarterly Reports on Form 10-Q for the period ended August 2, 2014 (filed with the SEC on September 11, 2014) and for the period ended May 3, 2014 (filed with the SEC on June 12, 2014);

Our Current Reports on Form 8-K filed with the SEC on September 16, 2014, August 18, 2014, July 24, 2014 and March 19, 2014 and Current Report on Form 8-K/A filed with the SEC on September 18, 2014;

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Our Definitive Proxy Statement on Schedule 14A (filed with the SEC on June 6, 2014); and

The description of capital stock contained in the Registration Statement on Form 8-A, as filed with the SEC on October 1, 2013 (File No. 001-36107), as supplemented by the Description of Capital Stock found on page 4 of the prospectus and including any amendments or reports filed for the purpose of updating such description.

In addition, all documents filed by us pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act) (other than portions of these documents that are either (1) described in paragraphs (d)(1), (d)(2), (d)(3) or (e)(5) of Item 407 of Regulation S-K promulgated by the SEC or (2) furnished under Item 2.02 or Item 7.01 of a Current Report on Form 8-K, including any exhibits included with such Items unless otherwise indicated therein) after the date hereof, and prior to the filing of a post-effective amendment that indicates that all securities offered hereunder have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this registration statement and to be a part hereof from the date of filing of such documents with the SEC.

Any statement contained in a document incorporated or deemed to be incorporated by reference into this prospectus supplement will be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement or any other subsequently filed document that is deemed to be incorporated by reference into this prospectus supplement modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

Our filings with the SEC, including our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q and amendments to those filings, are available free of charge on our website *www.burlingtoninvestors.com* as soon as reasonably practicable after they are filed with, or furnished to, the SEC. Our website and the information contained on that site, or connected to that site, are not incorporated into and are not a part of this prospectus. You may also obtain a copy of these filings at no cost by writing or telephoning us at the following address:

Burlington Stores, Inc.

1830 Route 130 North

Burlington, New Jersey 08016

Attention: Investor Relations

Telephone: (609) 387-7800

Except for the documents incorporated by reference as noted above, we do not intend to incorporate into this prospectus supplement any of the information included on our website.

TRADEMARKS, SERVICE MARKS AND TRADE NAMES

We own the trademarks, service marks and trade names that we use in connection with the operation of our business. Our trademarks include BCF, Burlington, Burlington Coat Factory, Cohoes, Luxury Linens, MJM Designer Sh
Baby Depot. This prospectus supplement may also contain trademarks, service marks, trade names and copyrights of other companies, which are the property of their respective owners. Solely for convenience, the trademarks, service

marks, trade names and copyrights referred to in this offering circular are listed without the TM, SM, © and ® symbols, but we will assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensors, if any, to these trademarks, service marks, trade names and copyrights.

MARKET, RANKING AND OTHER INDUSTRY DATA

In this prospectus supplement, including information incorporated by reference herein, we rely on and refer to information and statistics regarding our industry, the size of certain markets and our position within the sectors in which we compete. Some of the market and industry data contained in or incorporated by reference into this prospectus supplement are based on independent industry publications or other publicly available information, while other information is based on our good faith estimates, which are derived from our review of internal surveys, as well as independent sources listed in this prospectus supplement including the industry research firm The NPD Group, Inc. (The NPD Group), and our management s knowledge and experience in the markets in which we operate. Our estimates have also been based on information obtained from our customers, suppliers and other contacts in the markets in which we operate. We believe that these independent sources and our internal data are reliable as of their respective dates.

FORWARD-LOOKING STATEMENTS

This prospectus supplement contains forward-looking statements that are subject to risks and uncertainties. All statements other than statements of historical fact included in this prospectus supplement are forward-looking statements. Forward-looking statements discuss our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as aim, anticipate, believe, estimate, expect, forecast, outlook, potential, project, projection, believe, may, could, would, will, should, can, can have, likely, the negatives thereof and other words similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. For example, all statements we make relating to our estimated and projected earnings, revenues, costs, expenditures, cash flows, growth rates and financial results, our plans and objectives for future operations, growth or initiatives, strategies, or the expected outcome or impact of pending or threatened litigation are forward-looking statements. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected, including:

- general economic conditions;
- competitive factors, including pricing and promotional activities of major competitors;
- our ability to successfully implement several of our strategic initiatives;
- the availability of desirable store locations on suitable terms;
- changing consumer preferences and demand;
- industry trends, including changes in buying, inventory and other business practices by customers;
- competitive factors, including pricing and promotional activities of major competitors;
- the availability, selection and purchasing of attractive merchandise on favorable terms;

import risks;

weather patterns, including, among other things, changes in year-over-year temperatures;

our future profitability;

our ability to control costs and expenses;

unforeseen computer related problems;

any unforeseen material loss or casualty;

the effect of inflation;

an increase in competition within the markets in which we compete;

regulatory changes;

changes in general and/or regional economic conditions;

our relationships with employees;

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- the impact of current and future laws;
- terrorist attacks, particularly attacks on or within markets in which we operate;
- natural and man-made disasters, including but not limited to fire, snow and ice storms, flood, hail, hurricanes and earthquakes;
- our substantial level of indebtedness and related debt-service obligations;
- restrictions imposed by covenants in our debt agreements;
- availability of adequate financing;
- our dependence on vendors for our merchandise;
- domestic events affecting the delivery of merchandise to our stores; and
- existence of adverse litigation and risks.

While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from our expectations, or cautionary statements, are disclosed under Risk Factors and Management s Discussion and Analysis of Financial Condition and Results of Operations incorporated by reference into this prospectus supplement from our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. All forward-looking statements are expressly qualified in their entirety by these cautionary statements. You should evaluate all forward-looking statements made in this prospectus in the context of these risks and uncertainties.

We caution you that the important factors referenced above may not contain all of the factors that are important to you. In addition, we cannot assure you that we will realize the results or developments we expect or anticipate or, even if substantially realized, that they will result in the consequences we anticipate or affect us or our operations in the way we expect. The forward-looking statements included in this prospectus supplement are made only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law. If we do update one or more forward-looking statements, no inference should be made that we will make additional updates with respect to those or other forward-looking statements.

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SUMMARY

The following summary highlights information contained elsewhere or incorporated by reference into this prospectus supplement. It may not contain all the information that may be important to you. You should read this entire prospectus supplement carefully, including the section titled Risk Factors and our historical consolidated financial statements and related notes incorporated by reference to our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

In this prospectus supplement, unless the context requires otherwise, references to the Company, we, our, or us refer to Burlington Stores, Inc. and its consolidated subsidiaries. Parent refers to Burlington Stores, Inc. alone, Holdings refers to Burlington Coat Factory Investments Holdings, Inc., Parent s indirect, wholly-owned subsidiary, and BCFWC refers to Burlington Coat Factory Warehouse Corporation, Holdings direct, wholly-owned subsidiary.

Company Overview

Founded in 1972, we are a national off-price retailer of high quality branded apparel, operating 523 stores as of August 2, 2014, inclusive of an internet store, in 44 states and Puerto Rico. We are a market leader in the fast growing off-price retail channel. We offer our merchandise using an Every Day Low Price (EDLP) model with savings up to 60-70% off department and specialty store regular prices. We provide our customers an extensive selection of better and moderate, fashionable branded product in women s ready-to-wear apparel, menswear, youth apparel, baby products, footwear, accessories, home goods and coats. We feature merchandise from over 4,500 vendors, with a focus on major nationally-recognized brands. This vendor breadth provides our customers with a treasure hunt experience of searching for great brands at great value.

Our average store size is approximately 79,000 square feet, which is two to three times the size of our largest off-price competitors stores. Our larger store size has allowed us to offer more categories and substantially more breadth in each product category than our off-price competitors and to establish ourselves as a destination for select categories, including coats, youth and baby, special-occasion dresses and men s tailored apparel. We believe that our leadership in the off-price channel in select categories and our broad and diverse merchandise offering allow our stores to attract customers from beyond their local trade areas.

Large and Growing Off-Price Channel

We operate within the large and growing off-price channel in the United States. According to The NPD Group, the off-price apparel channel grew at a 5% compound annual growth rate (CAGR) during the four years ending December 2013. Over that period, sales in the off-price channel have grown over 10 times faster than the department store and national chain channels. We believe that the increasing demand for the off-price channel will continue to be driven by consumers growing focus on, and preference for, the value available at off-price retailers.

Our Competitive Strengths

Leading Destination for On-Trend, Branded Merchandise at a Great Value

We offer a broad and compelling assortment of on-trend, branded apparel and related merchandise. Our average store size is approximately 79,000 square feet, which is two to three times the size of our largest off- price competitors stores, allowing us to carry substantially more breadth in each product category, including branded apparel for various lifestyles, fashion preferences and sizes. We have a long heritage of leadership in select core categories including coats, youth and baby, special-occasion dresses and men s tailored apparel. We employ a broad merchandising strategy that provides the customer with a wide range of choices and a limited number of units per style, which fosters a sense of scarcity and urgency to purchase now. The frequent arrival of new merchandise to our stores encourages our customers to return to our stores regularly.

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Compelling Value and Every Day Low Price Model

We employ an EDLP model that offers customers savings of up to 60-70% off department and specialty store regular prices. Our price tags feature a compare at price, indicating the savings for the customer. We believe our EDLP approach contributes to a simpler and better value proposition by eliminating the customer s need to wait for sales, use coupons or participate in loyalty programs to realize savings.

Flexible Off-Price Sourcing and Merchandising Model

We aim to purchase the majority of our merchandise in-season, with our merchants spending time weekly in-market, buying on-site from vendors, to take advantage of the latest fashion trends. We seek to optimize our open-to-buy, which is the portion of our inventory receipt budget that remains unbought at any given point. We believe, as a result of how we manage our open-to-buy position, our merchants are able to execute compelling purchases opportunistically from our vendors. We have long-standing relationships with thousands of leading vendors, including many of the world s largest apparel manufacturers, and no one vendor accounts for more than 2% of our merchandise. We believe that merchandise vendors, including those with whom we work, increasingly view off-price retail as an attractive channel through which to reach their customers.

We consistently evaluate new vendors to add to our portfolio and review existing vendors to ensure that we have access to the best products and brands at great value. We believe that our in-season buying strategy and broad vendor relationships allow us to provide our customers with consistently fresh, on-trend and high quality offerings across a broad range of categories.

Attractive Store Economics

We have a proven and attractive store model that generates strong cash flow and consistent store-level financial results. We have opened an average of 23 new stores per year since 2006 and our new stores have an average payback period of less than three years. As of February 1, 2014, over 98% of our stores were profitable on a store-level cash flow basis, and we believe we have considerable room to grow profitability. Our stores have been successful in varying geographic regions, population densities, store footprint sizes and real estate settings. We believe our robust store model, reinforced by our site selection process and in-store execution, is driving improved consistency in performance across our store base.

Proven Management and Merchant Team with Off-Price Retail Experience

We have assembled a strong and empowered management team with a median experience of 25 years in the retail industry and a median tenure of six years with us. Our management team has complementary experiences across a broad range of disciplines in the retail industry, including at other leading off-price retailers, department stores and specialty stores. Our management team, through our incentive equity plan, is aligned with the objectives of our stockholders.

Recent Strategic Initiatives

In December 2008, we hired Tom Kingsbury as President and CEO to help define and lead our transformation. Since then, we have made significant investments in people, processes and systems to transform our business. We believe that we are in the early stages of realizing the return on these investments, which we expect will result in continued growth and enhanced profitability.

Assembled a Talented, Experienced Management Team

Under Mr. Kingsbury s leadership, we have assembled a proven and successful management team with significant retail and off-price experience from various best-in-class retailers. We have placed five of our top eight executives in their current roles, including those leading the merchandising, marketing, merchandise planning and allocation, supply chain, and human resources functions. Most recently, in 2012, we hired Paul Metcalf as our Chief Merchandising Officer to oversee and enhance the execution of our merchandising model.

Refined Our Off-Price Model Through Improved Buying, Inventory Management and Supply Chain Investment

We have refined and improved our execution of our off-price model and redesigned our merchant organization to provide more clear and distinct roles where our buyers focus primarily on buying and the support team focuses on planning and allocation, and we now have information systems that support data-driven decisions for both. We have also made significant investments to upgrade talent across these functions. We have increased our portion of in-season versus pre-season buys to increase the freshness of our merchandise offering. This strategy puts us more in line with our primary off-price competitors, as opposed to department stores, which primarily purchase pre-season. In part due to this focus on inventory freshness and providing great values, from May 31, 2008 to February 1, 2014 our comparable store inventory turnover increased by 69% and our inventory aged 90 days or older decreased by 53%. For the quarter ended August 2, 2014, comparable store inventory turnover increased 22% and inventory aged 90 days or older decreased 32% compared to the quarter ended August 3, 2013.

We have improved our access to the highest quality nationally-branded products through our network of over 4,500 vendors. We have renewed our emphasis on buyers spending time interacting face-to-face with new and existing vendors and on continuously evaluating fashion trends and emerging businesses. Over the last two years, we have invested in our supply chain infrastructure to support our off-price buying model. We expect to continue to invest in our supply chain infrastructure to facilitate our ongoing growth. In addition to our East Coast buying presence, we opened a West Coast buying office in 2013 to better enable access to vendors in that region. We are focusing on brands relevant to our customers, which we believe will drive traffic to our stores. In order to improve our buying decisions, we formalized a new framework that we believe will help our merchants continue to deliver great brands and great values to our customers.

Invested in Technology and Systems to Drive Growth and Improve Efficiency

Since 2009, we have also invested approximately $50 million in new, best-in-class information technology and merchandising systems solutions across our business functions to enhance the consistency of our execution and to improve the scalability of these functions across a growing store base. We believe our new merchandise planning and customized, in-house allocation systems, combined with our recent focus on developing the capability to localize inventory allocation, will help us to improve sales and margins by ensuring that we plan and allocate the right product to the right store at the right time. Our business intelligence system provides improved data visibility and allows us to identify trends to which our merchandising team can opportunistically respond. Our markdown optimization system is designed to maximize sales and total margin dollars by recommending markdowns at the style and color level to achieve defined sell-through targets and exit dates.

Built Data-Driven Testing Culture to Ensure Successful Rollout of New Initiatives

In addition to our investments in specific systems, our management team has built a strong data-driven testing culture. We regularly launch tests of new initiatives and rigorously measure effectiveness prior to chainwide rollout. For example, in 2012 and 2013, we tested a new in-store merchandising fixture for kids , S-3

men s and women s shoes. After observing significant sales lift, we are rolling this fixture out in all existing stores and our new stores. Our improved testing capability has begun to enable us to drive growth in an increasingly predictable manner while minimizing distraction to our store team.

Sharpened Focus on Our Core Female Customer

We have focused on better serving our core female customer: a brand-conscious fashion enthusiast, aged 25-49, with an average annual household income of $25,000-$75,000, by improving and expanding our offerings for her and by building on our strength in categories for her family, such as youth and baby, special occasions and menswear. We launched a new marketing campaign that specifically targeted our core customer and continue to refine our efforts to increase the frequency of her visits and average spend. As an early indicator of the success of this initiative, the Fiscal 2013 comparable store sales growth for women s ready-to-wear apparel (excluding coats), our single largest product category, was over 6%.

Introduced Program to Improve Customer Experience and Store Operations

We aim to deliver an easy and consistent customer experience. We have significantly enhanced the store experience and ease of shopping at all of our stores by simplifying our merchandise presentation, implementing a comprehensive program focused on offering more brands and styles and improving store navigation. We have accomplished this by utilizing clear way-finding signs and distinct product signage, highlighting key brands and new arrivals, improving organization of the floor space, reducing rack density, facilitating quicker checkouts and delivering better customer service. We have made particular improvements in product size visibility, queuing and fitting rooms.

To ensure consistent execution of our customer experience priorities, we have improved our store associate training, reorganized and strengthened our field management organization, implemented a store labor scheduling system and revamped our employee satisfaction program. In addition, since 2009 we have hired more than 300 new store managers from outside our organization, many from best-in-class retailers including our competition. These initiatives have better aligned store management and labor staffing to operational priorities, improved the customer experience and resulted in approximately a 420 basis point reduction in store payroll as a percentage of sales from 2008 through 2013.

Our improved customer experience, in conjunction with more consistent in-store execution, enabled us to achieve 73% overall customer satisfaction in 2013, a 21-point improvement since we began tracking this metric in 2008. We have also implemented operational audits to measure performance against clearly defined operational standards. To date, stores that have achieved higher audit scores have generated higher comparable store sales.

Refreshed Our Existing Store Base

As of August 2, 2014, 68% of our stores were either new, refreshed, remodeled or relocated since 2006. In our refreshed and remodeled stores, we have incorporated: new flooring, painting, lighting and graphics, relocated our fitting rooms to maximize productive selling space and made various other improvements as necessary on a store-by-store basis. We continue to invest in store refreshes and remodels on a store-by-store basis where appropriate, taking into consideration the age, sales and profitability of a store and the potential customer satisfaction improvement.

Enhanced Real Estate Analysis and New Store Selection Process

We have reengineered our new store development process to utilize more sophisticated criteria for real estate site selection and to reduce our total new store investment. Our real estate process consists of a review of

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demographics, population density, cannibalization impact, traffic patterns, competitive dynamics, co-tenancy considerations and ease of access, in order to meet acceptable return criteria. We have partnered with landlords to increase the landlord funded tenant improvements in new stores and have improved our opening inventory to increase cash-on-cash returns. Under our enhanced real estate selection process, we opened 23 new stores in Fiscal 2013, which, on average, have performed in line with our expectations and ahead of our required payback hurdles.

Our Growth Strategies

We believe there are significant opportunities to drive sustainable sales and margin growth. We believe each of the initiatives discussed above will play an important role in our ability to execute on our growth strategies, given the recency of their implementation as shown in the below timeline.

Summary of Strategic Initiative	Timing of Implementation
Assembled a talented, experienced management team	The current management team has been built over the past six years
	Recent additions include our Chief Marketing Officer (June 2011) and Chief Merchandising Officer (April 2012)
Refined our off-price model through improved buying, inventory management and supply chain investment	The buying model has been refined over the past five to six years resulting in continual improvements in execution
	Median tenure of our general and division merchandising managers with us is approximately 3 years
Invested in technology and systems to drive growth and improve efficiency	Merchandise planning system implementation completed in August 2011
	Merchandise allocation system enhancements completed in July 2012
	Markdown optimization system completed in Fall 2013
Built data-driven testing culture with robust measurements of results to ensure successful rollout of new initiatives	Began running initial tests in late 2011

Sharpened focus on our core female customer	As part of the preparation for the launch of our refocused marketing campaign in Spring 2011, we increased emphasis on gathering customer insights and data Continue to tailor our marketing on an ongoing basis to better cater to our core customer
Introduced program to improve customer experience and store operations	We increased our focus on customer service beginning in 2010; however, many specific initiatives have been implemented only in the last three years

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Summary of Strategic Initiative	Timing of Implementation
	As an example, we improved store navigational signage and simplified merchandising presentation in early 2012 and rolled out to the full store base later that year
	Store operational audits began as a pilot program in Fall 2011 and rolled out to the full store base in Spring 2012
Enhanced real estate analysis and new store selection process	Current version of our real estate site selection process has been utilized for new stores since Fall 2011

We believe these recent initiatives will enable us to execute on the following growth strategies:

Drive Comparable Store Sales Growth

We intend to continue to increase comparable store sales through the following initiatives:

Continuing to Enhance Execution of the Off-Price Model. We plan to drive comparable store sales by focusing on product freshness to ensure that we consistently deliver newness to the selling floors. We plan to continue to reduce comparable store inventories which we believe will result in faster inventory turnover. We maintain our ability to leverage our pack-and-hold program which is designed to take advantage of terrific buys of either highly desirable branded product or key seasonal merchandise for the next year. While the amount of goods we purchase on pack-and-hold is purely based on the right opportunities in the marketplace, this continues to be a great avenue to source product. We also intend to use our business intelligence systems to identify sell-through rates by product, capitalize on strong performing categories, identify and buy into new fashion trends and opportunistically acquire products in the marketplace.

Sharpening Focus on Our Core Female Customer. We have focused on better serving our core female customer, a brand-conscious fashion enthusiast, aged 25-49, with an average annual household income of $25,000-$75,000, by improving our product offering, store merchandising and marketing focus on women s ready-to-wear apparel and accessories to capture incremental sales from our core female customer and become a destination for her across all categories. We believe that these efforts will increase the frequency of her visits and her average spend, further improving the comparable store sales performance in women s categories.

Continuing to Improve Our Customer Experience. We have significantly enhanced the store experience and ease of shopping at all of our stores by implementing a comprehensive program focused on offering more brands and styles and simplifying store navigation. We have accomplished this by utilizing clear way-finding signs and distinct product signage, highlighting key brands and new arrivals, improving organization of the floor space, reducing rack density, facilitating quicker checkouts and delivering better customer service. We have made particular improvements in product size visibility, queuing and fitting rooms. To ensure consistent execution of our customer experience priorities, we have improved our store associate training and reorganized and strengthened our field management organization. Our improved customer experience, in conjunction with more consistent in-store execution, has contributed to a significant increase in overall customer satisfaction scores over the last three years. We have also implemented operational audits to measure performance against clearly articulated operational standards. To date, stores that have achieved superior audit scores have generated materially higher comparable store sales.

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Increasing Our e-Commerce Sales. We have been selling to our customers online for more than a decade. We plan to leverage this heritage, along with our renewed focus on e-commerce, to expand our online assortment and utilize e-commerce strategies to drive incremental traffic to our stores.

Enhancing Existing Categories and Introduce New Ones. We have opportunities to expand the depth and breadth of certain existing categories such as ladies apparel, children s products and home décor, while continuing to remain the destination for coats, and maintaining the flexibility to introduce new categories such as pet related merchandise.

Expanding and Enhancing Our Retail Store Base

We intend to expand and enhance our retail store base through the following initiatives:

Adhering to an Opportunistic Yet Disciplined Real Estate Strategy. We have grown our store base consistently since our founding in 1972, developing more than 99% of our stores organically, rather than through acquisition. We believe there is significant opportunity to expand our retail store base in the United States. In line with recent growth, our goal is to open approximately 25 net new stores annually and continue to do so for the foreseeable future.

Maintaining Focus on Unit Economics and Returns. We have adopted a prudent approach to new store openings with a specific focus on achieving attractive unit economics and returns. This focus is demonstrated by the fact that the vast majority of our existing stores had positive Adjusted EBITDA for Fiscal 2013. By focusing on opening stores with attractive unit economics we are able to minimize costs associated with store relocations and closures, achieve attractive returns on capital and continue to grow Company margins. We continue to explore the potential for modified store formats to provide incremental growth.

Enhancing the Store Experience through Store Refreshes and Remodels. Since 2006, 68% of our stores are either new, refreshed, remodeled or relocated. In our refreshed and remodeled stores, we have incorporated new flooring, painting, lighting and graphics, relocated our fitting rooms to maximize productive selling space and made various other improvements as appropriate by location. We continue to invest in store refreshes and remodels on a store-by-store basis where appropriate, taking into consideration the age, sales and profitability of a store, as well as the potential impact to the customer shopping experience.

Enhance Operating Margins

We intend to increase our operating margins through the initiatives described below.

Optimize Markdowns. We believe that our markdown system allows us to maximize sales and gross margin dollars based on forward looking sales forecasts, sell-through targets, and exit dates. This allows us to optimize markdowns at the style and color level by store cluster.

Enhance Purchasing Power. We believe that our growth and new West Coast buying office provide us with the opportunity to capture incremental buying opportunities and realize economies of scale in our merchandising and non-merchandising purchasing activities.

Drive Operating Leverage. We believe that we will be able to leverage our growing sales over the fixed costs of our business. In addition, we are focused on continuing to improve the efficiency of our corporate and in-store operations. Furthermore, we expect operating costs to grow less rapidly in the future.

Our successful execution of these growth strategies may be affected by challenges or risks outside of our control, including but not limited to an incremental slowdown in the U.S. economy, increased competition from other retailers, and unforeseen legal or regulatory changes.

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Our Corporate Information

We were organized in 2013 under the name Burlington Holdings, Inc. and currently exist as a Delaware corporation. On September 10, 2013 we changed our name to Burlington Stores, Inc. Our indirect subsidiary, BCFWC, was initially organized in 1972 as a New Jersey corporation, was reincorporated in 1983 in Delaware when the company originally became a public company and currently exists as a Delaware corporation. BCFWC became a direct, wholly-owned subsidiary of Holdings in connection with the acquisition of BCFWC on April 13, 2006 by affiliates of Bain Capital Partners, LLC (along with its associated investment funds, or any successor to its investment management business, Bain Capital) in a take private transaction (the Merger Transaction) and became an indirect, wholly-owned subsidiary of ours on February 14, 2013, in connection with our corporate reorganization. We completed our initial public offering on October 7, 2013. Our principal executive offices are located at 1830 Route 130 North, Burlington, New Jersey 08016. Our telephone number is (609) 387-7800. The address of our main website is *www.burlingtonstores.com*. The information contained on our website does not constitute a part of this prospectus.

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The Offering

Common stock offered by the selling stockholders	8,000,000 shares of common stock.
Common stock outstanding prior to and after completion of this offering	74,535,201 shares.
Use of proceeds	The selling stockholders will receive all of the net proceeds from any sales of their shares. We will not receive any proceeds from the sale of shares of common stock by the selling stockholders. We will bear a portion of the expenses of the offering of common stock, except that the selling stockholders will pay any applicable underwriting fees, discounts or commissions and certain transfer taxes. See Use of Proceeds in this prospectus supplement and Selling Stockholders in the prospectus
Principal Stockholders	Upon completion of this offering, affiliates of Bain Capital will continue to beneficially own a significant interest in us but will no longer control a majority of the voting power of our outstanding common stock. We will no longer be a controlled company within the meaning of the corporate governance rules of the NYSE upon completion of this offering. However, we may continue to rely on exemptions from certain corporate governance requirements during a one year transition period.
Dividends	We currently do, and expect to continue to, retain all available funds and any future earnings to fund the development and growth of our business and to repay indebtedness; therefore, we do not anticipate paying any cash dividends in the foreseeable future. For additional information, see Dividend Policy.
NYSE symbol	BURL.
Risk Factors	For a discussion of risks relating to the Company, our business and an investment in our common stock, see Risk Factors and all other information set forth in or incorporated by reference into this prospectus supplement before investing in our common stock.

The number of shares of common stock to be outstanding immediately after the closing of this offering is based on 74,535,201 shares outstanding as of September 30, 2014.

Unless otherwise indicated, all information in this prospectus supplement relating to the number of shares of common stock to be outstanding immediately after this offering excludes 4,189,389 shares of common stock issuable as of September 30, 2014 upon the exercise of outstanding stock options at a weighted average exercise price of $4.24 per share.

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Summary Historical Consolidated Financial and Other Data

The following table presents our summary historical consolidated financial data and certain other financial data. The historical consolidated balance sheet data as of February 2, 2013 and February 1, 2014 and the consolidated statement of operations data and consolidated statement of cash flows data for the fiscal years ended January 28, 2012 (Fiscal 2011), February 2, 2013 (Fiscal 2012) and February 1, 2014 (Fiscal 2013) have been derived from our historical audited consolidated financial statements, which are incorporated by reference into this prospectus supplement from our Annual Report on Form 10-K for the year ended February 1, 2014 (our 2013 Form 10-K). The consolidated balance sheet data as of Fiscal 2011 are derived from our accounting records. The consolidated statement of operations data, consolidated balance sheet data and consolidated statement of cash flows data as of and for the six months ended August 3, 2013 and August 2, 2014 have been derived from our historical unaudited condensed consolidated financial statements, which are incorporated by reference into this prospectus supplement from our Quarterly Report on Form 10-Q for the quarter ended August 2, 2014 (our Q2 2014 Form 10-Q). The unaudited pro forma earnings per share data for the years ended February 2, 2013 and February 1, 2014 have been derived from our historical financial statements which are incorporated by reference into this prospectus supplement from our 2013 Form 10-K, after giving effect to the transactions specified in Note 2 below. Operating results for the six months ended August 2, 2014 are not necessarily indicative of the results that may be expected for the entire fiscal year ending January 31, 2015 (Fiscal 2014).

The historical consolidated financial data and other financial data presented below should be read in conjunction with our audited consolidated financial statements and the related notes thereto, our unaudited condensed consolidated financial statements and the related notes thereto and the section entitled Management s Discussion and Analysis of Financial Condition and Results of Operations incorporated by reference into this prospectus supplement from our 2013 Form 10-K and Q2 2014 Form 10-Q. Our historical consolidated financial data may not be indicative of our future performance.

	Fiscal Year Ended(1)			Six Months Ended(1)	
	January 28, 2012	February 2, 2013	February 1, 2014	August 3, 2013	August 2, 2014
	(in thousands, except per share data)				
Consolidated Statement of Operations Data:					
Revenues:					
Net Sales	$ 3,854,134	$ 4,131,379	$ 4,427,503	$ 2,028,724	$ 2,171,850
Other Revenue	33,397	34,125	34,484	15,745	15,134
Total Revenue	3,887,531	4,165,504	4,461,987	2,044,469	2,186,984
Costs and Expenses:					
Cost of Sales	2,363,464	2,530,124	2,695,957	1,267,973	1,343,488
Selling, General and Administrative Expenses	1,215,774	1,312,682	1,391,788	654,461	697,047
Costs Related to Debt Amendments, Termination of Advisory Agreement, Secondary Offering and Other	(473)	4,175	23,026	11,457	1,341
Stock Option Modification Expense			10,418	7,263	1,791

Restructuring and Separation Costs	7,438	2,999	2,171	2,179	
Depreciation and Amortization	153,070	166,786	168,195	85,239	81,757
Impairment Charges Long-Lived Assets	1,735	11,539	3,180	139	848
Loss on Extinguishment of Debt	37,764	2,222	16,094	617	3,681
Other Income, Net	(9,942)	(8,115)	(8,939)	(4,605)	(3,864)
Interest Expense (inclusive of (Gain) Loss on Interest Rate Cap Contracts)	129,121	113,927	127,739	67,630	52,098
Total Costs and Expenses	3,897,951	4,136,339	4,429,629	2,092,353	2,178,187

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	Fiscal Year Ended(1)			Six Months Ended(1)	
	January 28, 2012	**February 2, 2013**	**February 1, 2014**	**August 3, 2013**	**August 2, 2014**
	(in thousands, except per share data)				
Income (Loss) Before Income Tax Expense (Benefit)	(10,420)	29,165	32,358	(47,884)	8,797
Income Tax Expense (Benefit)	(4,148)	3,864	16,208	(17,307)	3,493
Net Income (Loss)	$ (6,272)	$ 25,301	$ 16,150	$ (30,577)	$ 5,304
Total Comprehensive Income (Loss)	$ (6,272)	$ 25,301	$ 16,150	$ (30,577)	$ 5,304
Class L Preference Amount	$ (123,270)	$ (146,923)	$ (111,282)	$ (82,905)	$
Net Income (Loss) Attributable to Common Stockholders	$ (129,542)	$ (121,622)	$ (95,132)	$ (113,482)	$ 5,304
Allocation of Net Income (Loss) to Common Stockholders Basic:					
Class L Stockholders	$ 123,270	$ 146,923	$ 111,282	$ 82,905	$
Common Stockholders	$ (129,542)	$ (121,622)	$ (95,132)	$ (113,482)	$ 5,304
Net Income (Loss) Per Share Basic:					
Class L Stockholders	$ 24.58	$ 28.76	$ 31.93	$ 15.93	$
Common Stockholders	$ (0.26)	$ (0.24)	$ (0.26)	$ (0.22)	$ 0.07
Allocation of Net Income (Loss) to Common Stockholders Diluted:					
Class L Stockholders	$ 123,270	$ 146,923	$ 111,282	$ 82,905	$
Common Stockholders	$ (140,824)	$ (134,086)	$ (144,392)	$ (159,467)	$ 5,304
Net Income (Loss) Per Share Diluted:					
Class L Stockholders	$ 24.58	$ 28.76	$ 31.93	$ 15.93	$
Common Stockholders	$ (0.28)	$ (0.27)	$ (0.39)	$ (0.31)	$ 0.07
Weighted Average Number of Shares Basic:					
Class L Stockholders	5,016	5,109	3,485	5,206	
Common Stockholders	496,606	505,802	369,567	515,350	73,806
Weighted Average Number of Shares Diluted:					
Class L Stockholders	5,016	5,109	3,485	5,206	

Common Stockholders	496,606	505,802	370,040	515,350	75,585

	Fiscal Year Ended(1)	
	February 2, 2013	**February 1, 2014**
	(in thousands, except per share data)	
Pro Forma Earnings Per Share Data(2):		
Net Income	$ 25,301	$ 16,150
Pro Forma Net Income Per Share Basic Common Stock	$ 0.35	$ 0.22
Pro Forma Net Income Per Share Diluted Common Stock	$ 0.35	$ 0.22
Pro Forma Weighted Average Shares Outstanding:		
Basic	71,532	73,080
Diluted	72,082	74,259

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	Fiscal Year Ended(1)			Six Months Ended(1)	
	January 28, 2012	February 2, 2013	February 1, 2014	August 3, 2013	August 2, 2014
	(in thousands, except store data and percentages)				
Consolidated Statement of Cash Flow Data:					
Net Cash Provided by Operations	$ 249,983	$ 452,509	$ 289,351	$ 57,862	$ 51,579
Net Cash Used in Investing Activities	(158,773)	(165,816)	(164,794)	(67,606)	(94,433)
Net Cash Used in Financing Activities	(85,760)	(279,021)	(34,909)	(185)	(60,839)
Consolidated Balance Sheet Data (end of the period):					
Cash and Cash Equivalents	$ 35,664	$ 43,336	$ 132,984	$ 33,407	$ 29,291
Inventory	682,260	680,190	720,052	748,308	711,510
Working Capital(3)	337,901	104,799	80,604	88,752	70,217
Total Debt (Including Current Portion)	1,613,123	1,336,316	1,428,185	1,694,338	1,373,069
Class L Common Stock(4)	884,945	1,029,189		1,076,244	
Total Stockholders Deficit(5)	(995,890)	(1,109,458)	(150,468)	(1,515,157)	(140,146)
Other Financial Data:					
Number of Stores (at end of period)(6)	477	500	521	503	523
Comparable Store Sales Growth(7)	0.7%	1.2%	4.7%	5.5%	3.6%
Average Net Sales Per Store	$ 8,080	$ 8,263	$ 8,498	$ 4,033	$ 4,153
Comparable Store Inventory Turnover(8)	3.1	3.6	4.0	3.6	4.4
Gross Margin Rate	38.7%	38.8%	39.1%	37.5%	38.1%
Adjusted EBITDA(9)	$ 315,000	$ 331,964	$ 383,697	$ 126,471	$ 150,415
Adjusted Net Income (Loss)(9)	37,350	59,589	70,239	(7,441)	17,735

(1) Fiscal years ended January 28, 2012 and February 1, 2014 consisted of 52 weeks. Fiscal year ended February 2, 2013 consisted of 53 weeks. The six months ended August 3, 2013 and August 2, 2014 consisted of 26 weeks.

(2) The numerator in calculating the pro forma basic and diluted net income per share is consolidated net income. The denominator in calculating the pro forma basic net income per share is the weighted-average common shares outstanding during the period effected for the Reclassification (as defined below) plus the 15,333,333 shares of common stock issued by the Company in our initial public offering as if the offering occurred on January 29, 2012. The issuance of 15,333,333 shares have been included in the denominator as the dividend declared in February 2013, which exceeded the Company s prior twelve month earnings, was in contemplation of the offering. The denominator in calculating the pro forma diluted earnings per share gives effect to potential dilutive common shares, calculated in accordance with the treasury stock method.

(3) We define working capital as current assets (excluding restricted cash) minus current liabilities.

(4) Prior to our initial public offering, each outstanding share of the Company s Class A common stock was automatically cancelled and then each outstanding share of the Company s Class L common stock was automatically converted into one share of the Company s Class A common stock. The Company then effected an 11-for-1 split of the Company s Class A common stock and then reclassified the Company s Class A common stock into common stock. Collectively, these transactions are referred to as the Reclassification.

(5)

In February 2013, we declared a special cash dividend of approximately $336.0 million ($5.89/unit) to our stockholders from the proceeds of the offering of our 9.00%/9.75% Senior Notes due 2018 (the Holdco Notes) by Burlington Holdings, LLC and Burlington Holdings Finance, Inc., payable to Class A and Class L stockholders on a pro rata basis. In February 2011, in connection with the offering of 10% Senior Notes due 2019 (the Senior Notes) by BCFWC and the refinancing of our senior secured term loan facility (the Senior Secured Term Loan Facility), we declared a special cash dividend of approximately $300.0 million ($5.40 per unit), in the aggregate, payable to Class A and Class L stockholders on a pro rata basis.

(6) The number of stores is inclusive of an internet store for Fiscal 2012, Fiscal 2013 and for the six months ended August 3, 2013 and August 2, 2014.

(7) We define comparable store sales as sales of those stores, including online sales, commencing on the first day of the fiscal month one year after the end of their grand opening activities, which normally conclude within the first two months of operations.

(8) Comparable Store Inventory Turnover is calculated by dividing comparable store retail sales by the average comparable store retail value of inventory for the period being measured. The calculation is based on a rolling 13 month average of inventory and the last 12 months comparable store sales.

(9) The following tables calculate our Adjusted EBITDA and Adjusted Net Income (Loss). Adjusted EBITDA and Adjusted Net Income (Loss) are non-GAAP financial measures. Adjusted EBITDA is defined as net income (loss), exclusive of (a) interest expense, net, (b) loss on extinguishment of debt, (c) income tax expense (benefit), (d) depreciation and amortization, (e) impairment charges, (f) advisory fees, (g) stock option modification expense and (h) costs related to debt amendments, termination of our advisory agreement with Bain Capital (the Advisory Agreement), secondary offering and other. Adjusted Net Income (Loss) is defined as net income (loss), exclusive of the following items: (i) net favorable lease amortization, (ii) costs related to debt amendments, termination of Advisory Agreement, secondary offering and other, (iii) stock option modification expense, (iv) loss on extinguishment of debt, (v) impairment charges and (vi) advisory fees, all of which are tax effected to arrive at Adjusted Net Income (Loss).

We present Adjusted EBITDA and Adjusted Net Income (Loss) because we believe they are useful supplemental measures in evaluating the performance of our business and provide greater transparency into our results of operations. Adjusted EBITDA and Adjusted Net Income (Loss) provide management, including our chief operating decision maker, with helpful information with respect to our operations.

The following table provides a reconciliation from Net Income (Loss) to Adjusted EBITDA:

	Fiscal Year Ended(1)			Six Months Ended(1)	
	January 28, 2012	February 2, 2013	February 1, 2014	August 3, 2013	August 2, 2014
	(in thousands)				
Net Income (Loss)	$ (6,272)	$ 25,301	$ 16,150	$ (30,577)	$ 5,304
Interest Expense, Net	129,039	113,786	127,517	67,465	52,074
Loss on Extinguishment of Debt(a)	37,764	2,222	16,094	617	3,681
Income Tax Expense (Benefit)	(4,148)	3,864	16,208	(17,307)	3,493
Depreciation and Amortization	153,070	166,786	168,195	85,239	81,757
Impairment Charges(b)	1,735	11,539	3,180	139	848
Advisory Fees(c)	4,285	4,291	2,909	2,175	126
Stock Option Modification Expense(d)			10,418	7,263	1,791
Costs Related to Debt Amendments, Termination of Advisory Agreement, Secondary Offering and Other(e)	(473)	4,175	23,026	11,457	1,341
Adjusted EBITDA	$ 315,000	$ 331,964	$ 383,697	$ 126,471	$ 150,415

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The following table provides a reconciliation from Net Income (Loss) to Adjusted Net Income (Loss):

	Fiscal Year Ended(1)			Six Months Ended(1)	
	January 28, 2012	**February 2, 2013**	**February 1, 2014**	**August 3, 2013**	**August 2, 2014**
			(in thousands)		
Net Income (Loss)	$ (6,272)	$ 25,301	$ 16,150	$ (30,577)	$ 5,304
Net Favorable Lease Amortization(f)	29,245	31,292	29,326	15,665	13,106
Costs Related to Debt Amendments, Termination of Advisory Agreement, Secondary Offering and Other(e)	(473)	4,175	23,026	11,457	1,341
Stock Option Modification Expense(d)			10,418	7,263	1,791
Loss on Extinguishment of Debt(a)	37,764	2,222	16,094	617	3,681
Impairment Charges(b)	1,735	11,539	3,180	139	848
Advisory Fees(c)	4,285	4,291	2,909	2,175	126
Tax Effect(g)	(28,934)	(19,231)	(30,864)	(14,180)	(8,462)
Adjusted Net Income (Loss)	$ 37,350	$ 59,589	$ 70,239	$ (7,441)	$ 17,735

(a) Represents losses incurred in accordance with ASC Topic No. 470-50, Debt Modifications and Extinguishments, related to Amendments No. 1 and No. 3 to our term loan credit agreement dated February 24, 2011 (as amended, the Term Loan Credit Agreement) in May 2012 and May 2013, respectively, losses incurred in accordance with ASC Topic No. 405-20, Extinguishments of Liabilities (Topic No. 405), related to the partial redemptions of our Holdco Notes in November 2013 and April 2014 and losses incurred in accordance with Topic No. 405 related to the April 2014 excess cash flow payment of our Senior Secured Term Loan Facility. Refer to Note 9 to our 2013 Form 10-K, Long-Term Debt, and Note 3 to our Q2 2014 Form 10-Q, Long Term Debt, which are incorporated by reference into this prospectus supplement, for further details.

(b) Represents impairment charges on long lived assets.

(c) For the six months ended August 2, 2014, amounts represent reimbursement for out-of-pocket fees and expenses that are payable to Bain Capital. For the six months ended August 3, 2013, Fiscal 2011, Fiscal 2012 and Fiscal 2013, amounts primarily represent the advisory fee of Bain Capital expensed during the fiscal periods in connection with our advisory agreement with Bain Capital which was terminated on October 2, 2013 in connection with our initial public offering. All amounts are recorded in the line item Selling and Administrative Expenses in our February 1, 2014 Consolidated Statement of Operations and Comprehensive Income (Loss) and in our August 2, 2014 Condensed Consolidated Statement of Operations and Comprehensive Income (Loss), which are incorporated by reference into this prospectus supplement.

(d) Represents expenses incurred as a result of our May 2013 stock option modification. Refer to Note 12 to our 2013 Form 10-K and Note 10 to our Q2 2014 Form 10-Q, both entitled Stock Option and Award Plans and Stock-Based Compensation, which are incorporated by reference into this prospectus supplement, for further detail.

(e) Primarily related to advisory and professional fees associated with our February 2011 debt refinancing, Amendments No. 1, No. 2 and No. 3 in May 2012, February 2013 and May 2013, respectively, to our Term Loan Credit Agreement, as well as fees associated with the termination of our Advisory Agreement with Bain Capital. For the six month periods ended August 2, 2014 and August 3, 2013, costs are primarily related to the secondary offering in Fiscal 2014 and advisory and professional fees associated with Amendments No. 2 and No. 3 to our Term Loan Credit Agreement in February and May 2013, respectively.

(f) Net favorable lease amortization represents the non-cash amortization expense associated with favorable and unfavorable leases that were recorded as a result of purchase accounting related to the Merger Transaction, and are recorded in the line item Depreciation and Amortization in our February 1, 2014

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Consolidated Statement of Operations and Comprehensive Income (Loss) and in our August 2, 2014 Condensed Consolidated Statement of Operations and Comprehensive Income (Loss), which are incorporated by reference into this prospectus supplement.

(g) Tax effect is calculated based on effective tax rates (before discrete items) for the respective periods, adjusted for the tax effect for the impact of items (a) through (f).

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RISK FACTORS

Investing in our common stock involves a number of risks. Before you purchase our common stock, you should carefully consider the risks described below and the other information contained in or incorporated by reference into this prospectus supplement, including our consolidated financial statements and accompanying notes. You should carefully consider the risks and uncertainties described in the section entitled Risk Factors in our 2013 Form 10-K and Q2 2014 Form 10-Q, as supplemented and modified by the below. If any of those or the following risks actually occurs, our business, financial condition, results of operation or cash flows could be materially adversely affected. In any such case, the trading price of our common stock could decline, and you could lose all or part of your investment.

Risks Related to this Offering and Ownership of Our Common Stock