

Alco Stores, Inc. has filed for bankruptcy protection...

Here's what the monthly FRISK® History Report showed a subscriber monitoring this Company....

The report highlighted Alco Stores as one of a few "companies at risk..." in the portfolio, almost a year ago

...& then signaled that this company required immediate action, months before the bankruptcy filing...

Business Name	Country	2013 OCT	2013 NOV	2013 DEC	2014 JAN	2014 FEB	2014 MAR	2014 APR	2014 MAY	2014 JUN	2014 JUL	2014 AUG	2014 SEP	2014 OCT
3M Co	United States	10	10	10	10	10	10	10	10	10	10	10	10	10
A&D Company, Limited.	Japan	6	6	6	6	6	5	5	4	4	5	5	5	5
A. H. Belo Corporation	United States	6	6	6	6	6	6	6	7	7	7	7	7	7
A. Schulman Inc	United States	8	8	8	7	7	7	8	7	7	8	8	9	7
ABB Ltd.	Switzerland	10	10	10	10	10	10	10	10	10	10	10	10	10
Abbott Laboratories	United States	10	10	10	10	10	10	10	10	10	10	10	10	10
AbbVie Inc	United States	10	10	10	10	10	10	9	10	10	9	9	10	9
Abercrombie & Fitch Co.	United States	7	7	7	7	6	7	7	7	7	8	9	9	9
Acadia Realty Trust	United States	10	10	10	10	10	10	10	10	10	9	9	9	9
Accton Technology Corporation	Taiwan	7	8	7	7	7	8	7	7	7	7	7	8	8
Aeropostale Inc	United States	5	6	5	5	4	4	3	2	2	2	2	3	2
Aerostar S.A.	Romania	9	8	8	8	7	7	7	7	7	7	7	7	7
AES Corp	United States	7	7	7	7	7	6	6	6	7	7	7	7	7
Aetna Inc	United States	10	10	10	10	10	10	10	10	10	9	9	9	9
AFT Corporation Limited	Australia	9	9	9	9	9	7	6	6	6	6	6	6	6
Agileys, Inc.	United States	10	10	10	10	9	10	9	9	9	9	9	9	9
Alco Stores Inc	United States	6	6	6	5	5	5	6	5	4	3	2	3	2
Alcoa Inc	United States	8	8	8	9	8	9	9	10	10	9	9	9	9
Altex Industries, Inc.	United States	7	7	7	7	7	7	7	7	7	7	6	6	6
Amazon.com, Inc.	United States	10	10	10	10	10	10	10	10	10	9	9	9	10
Amdocs Limited	United States	10	10	10	10	10	10	10	10	10	10	10	10	10
American Eagle Outfitters	United States	10	10	10	9	8	8	7	7	7	8	8	8	8

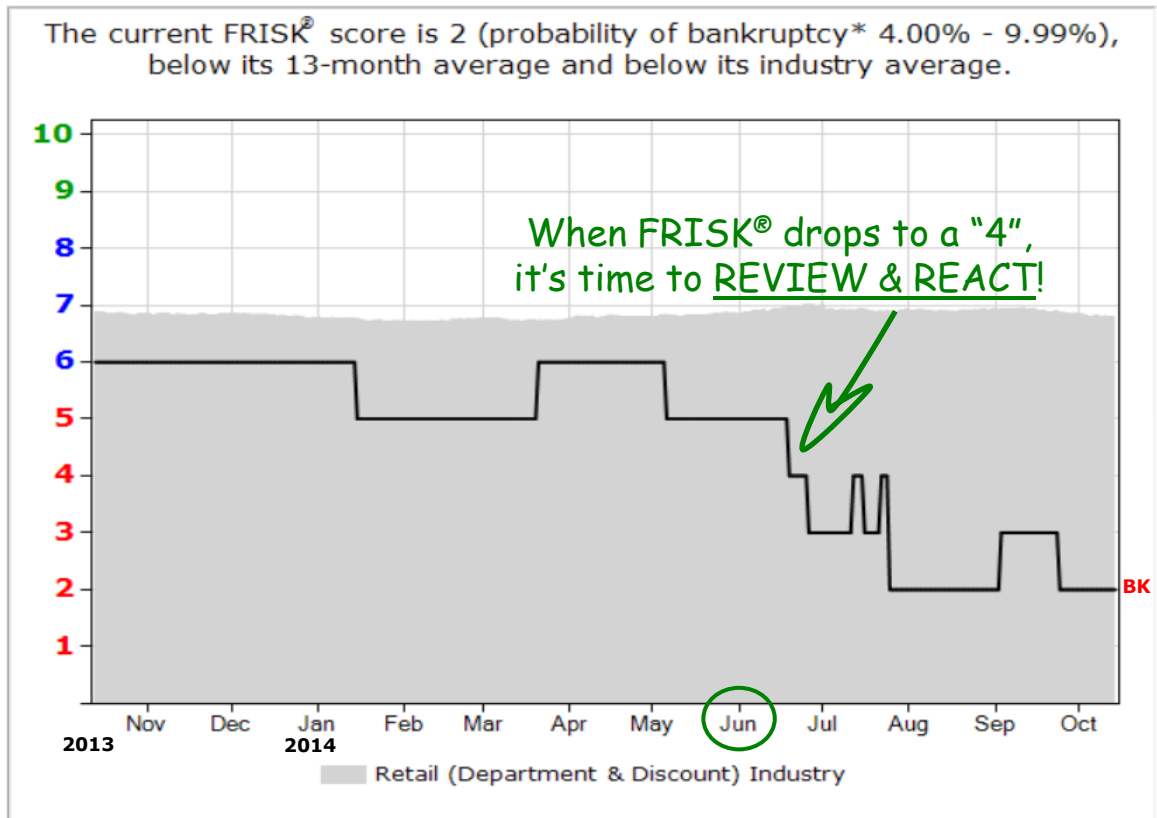
Bankrupt

Let's see the report detail when they filed!

<h2 style="text-align: center;">Alco Stores Inc</h2> <p style="text-align: center;">751 Freeport Pkwy COPPELL, TX 75019-4411 United States</p> <p>Phone: (469) 322-2900 Ticker: ALCS</p>																				
<p>Filed for Bankruptcy on 10/12/2014 Case #14-34941, filed in the U.S. Bankruptcy Court for the Northern District of Texas (Dallas)</p>																				
<p>Latest Financial Statements as of 8/3/2014</p>																				
<p>Business Summary</p> <p>Alco Stores, Inc. is engaged in the business of retailing general merchandise throughout the central portion of the United States of America through a range of department store outlets. The Company's ALCO stores offer a range of merchandise consisting of approximately 35,000 items, including automotive, commodities, crafts, domestics, electronics, furniture, hardware, health and beauty aids, house wares, jewelry, ladies', men's and children's apparel and shoes, pre-recorded music and video, sporting goods, seasonal items, stationery and toys. As of February 2, 2014, the Company operated 212 stores in 23 states located in mostly smaller communities in the central United States. The stores average approximately 21,000 square feet of selling space, with an additional 4,000 square feet utilized for merchandise processing, temporary storage and administration.</p> <p style="text-align: right;">(Source: 10-K)</p>																				
Employees: 3,300 (as of 2/2/2014)		Federal Tax Id: 480201080																		
<p>Credit Scores</p> <p>FRISK® Score 10/11/2014</p> <p style="color: red;">Probability of bankruptcy range: 4.00% - 9.99%</p> <p>Z" Score 8/3/2014</p> <p style="text-align: center;">1.26 (Neutral)</p>	<p>Auditor Information</p> <p>Last Audit: 2/2/2014</p> <p>Auditors: Grant Thornton LLP</p> <p>Opinion: Unqualified</p>																			
<p>DBT Index</p> <table border="1" style="width: 100%;"> <thead> <tr> <th>6/2014</th> <th>7/2014</th> <th>8/2014</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">6</td> <td style="text-align: center;">8</td> <td style="text-align: center;">9</td> </tr> </tbody> </table> <p>(Includes DBT Indexes from Subsidiaries)</p>			6/2014	7/2014	8/2014	6	8	9												
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<p>Net Sales (millions)</p> <table border="1"> <caption>Net Sales (millions)</caption> <thead> <tr> <th>Period</th> <th>Net Sales (millions)</th> </tr> </thead> <tbody> <tr> <td>8/13</td> <td>117.7</td> </tr> <tr> <td>11/13</td> <td>106.7</td> </tr> <tr> <td>2/14</td> <td>130.9</td> </tr> <tr> <td>5/14</td> <td>104.7</td> </tr> <tr> <td>8/14</td> <td>110.7</td> </tr> </tbody> </table>	Period	Net Sales (millions)	8/13	117.7	11/13	106.7	2/14	130.9	5/14	104.7	8/14	110.7	<p>Working Capital (millions)</p> <table border="1"> <caption>Working Capital (millions)</caption> <thead> <tr> <th>Period</th> <th>Working Capital (millions)</th> </tr> </thead> <tbody> <tr> <td>8/13</td> <td>148.8</td> </tr> <tr> <td>11/13</td> <td>124.1</td> </tr> </tbody> </table>		Period	Working Capital (millions)	8/13	148.8	11/13	124.1
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<p>Second Quarter and Year-to-Date Results</p> <p>Sales for the 13 weeks ended 8/3/2014 decreased 5.97 amount of \$117.73 million. Sales for the 26 weeks ended 8/3/2014 decreased 5.33% to \$226.90 million from the same period last year.</p> <p>Gross profit margin decreased 15.07% for the period to : (31.64% of revenues) for the same period last year. Gross profit for the period decreased 15.07% to \$62.07 million (28.82% of revenues) from \$69.1 million for the same period last year.</p> <p>Selling, general and administrative expenses for the period \$32.94 million for the same period last year. Selling, general and administrative expenses for the period ended 8/3/2014 increased 5.33% to \$67.56 million from \$64.1 million for the same period last year.</p> <p>Operating income for the period decreased 344.95% to (\$5.39) million for the same period last year. Operating income for the period ended 8/3/2014 decreased 344.95% to (\$5.39) million compared with operating income of \$1.32 million for the same period last year.</p> <p>Net income for the period decreased 1,713.68% to (\$8.02) million for the same period last year. Net loss for the year ended 8/3/2014 decreased 1,713.68% to (\$8.02) million compared with net loss of (\$1.17) million for the year ended 8/3/2013.</p> <p>Net cash from operating activities was \$1.54 million for the 26 weeks ended 8/3/2014 compared to net cash from operating activities of (\$13.52) million for last year's comparable period.</p> <p>Working capital at 8/3/2014 of \$43.91 million decreased 67.61% from the prior year end's balance of \$135.58 million, and decreased 70.49% from \$148.79 million at the end of last year's same period.</p> <p>Inventories decreased by \$13.39 million for the year-to-date period, compared to a \$7.86 million increase in the prior year's comparable period.</p> <p>Accounts payable decreased by \$783.00 thousand for the year-to-date period, compared to a \$9.09 million increase in the prior year's comparable period.</p>																				

While the DBT Index is an accurate indicator of payment performance, it is NOT a useful indicator of financial stress, or bankruptcy risk for public companies... Here, the Company was paying 0-10 days past due prior to the bankruptcy... ...the FRISK® Score paints the real picture, with 95% accuracy

Let's take a closer look at our proprietary FRISK® Score...



Probability of bankruptcy within 12 months			
FRISK®		From	To
Best	10	0.00%	0.12%
	9	0.12%	0.27%
	8	0.27%	0.34%
	7	0.34%	0.55%
	6	0.55%	0.87%
	5	0.87%	1.40%
	4	1.40%	2.10%
	3	2.10%	4.00%
	2	4.00%	9.99%
Worst	1	9.99%	50.00%

The Altman Z" does not signal any financial trouble leading up to the bankruptcy...

LEGEND:

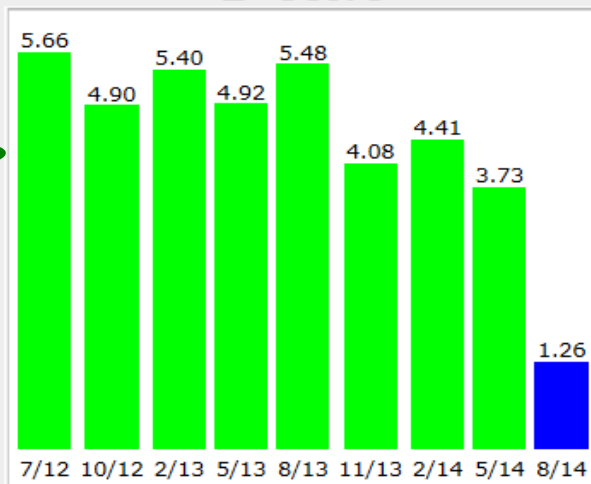
Financially sound: 2.60 or higher

Neutral: 1.10 to 2.60

Fiscal danger: less than 1.10

...Relying on the Z" score?
You would have missed this one!

Z" Score



Stock Performance

Detailed Quote

Last: 0.45

Change: -1.20 (-72.72%)

Volume: 999,047

Open: 0.47
Close: 1.65
High: 0.56
Low: 0.44
Bid: 0.45
Ask: 0.47
Yield: 0.00
P/E Ratio: N/
EPS: 11.03
Dividend: 0.00
Shares Out: 3.3 M
Market Cap: 1.5 M
52wk High: 13.98
52wk Low: 1.61



The FRISK® score computes and uses a company's market capitalization adjusted for dividends, as well as the volatility of this market capitalization over the course of a year...

...this is a feature not readily available in other scores!

...plus looking at our News Alerts you would have seen...

News Summary (<input checked="" type="radio"/> CRMZ selected <input type="radio"/> Moody's <input type="radio"/> Fitch <input type="radio"/> All) Next Page				
#	Date	Source	Headline	
1	10/14/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Entry into a Material Definitive Agreement, Bankruptcy or Receivership, Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation	i
2	10/13/2014	CRMZ News Service	Retailer Alco Stores Files for Chapter 11 Bankruptcy	i
3	10/13/2014	Marketwire	ALCO Stores Commences Voluntary Chapter 11 Proceeding	i
4	10/8/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Change in Directors or Principal Officers, Regulation FD Disclosure	i
5	9/24/2014	CRMZ News Service	Alco Stores Inc -- updated financials available	i
6	9/22/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Change in Directors or Principal Officers, Regulation FD Disclosure, Other Events, Financial Statements and Exhibits	i
7	9/22/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Results of Operations and Financial Condition, Regulation FD Disclosure, Financial Statements and Exhibits	i
8	9/22/2014	CRMZ News Service	ALCO STORES INC: a Form 10-Q has been Filed with the SEC	i
9	9/22/2014	GlobeNewswire	ALCO Stores Reports Second Quarter Fiscal 2015 Financial Results	i
10	9/18/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Entry into a Material Definitive Agreement, Financial Statements and Exhibits	i
11	9/17/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Regulation FD Disclosure, Other Events, Financial Statements and Exhibits	i
12	9/17/2014	GlobeNewswire	ALCO Stores, Inc. to Issue Second Quarter Fiscal 2015 Financial Results on Monday September 22, 2014, at Market Close	i
13	9/17/2014	CRMZ News Service	ALCO STORES INC Files Notification of Late Filing for its Form 10-Q with the Securities and Exchange Commission.	i
14	9/5/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Entry into a Material Definitive Agreement, Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet	i
15	9/5/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Change in Directors or Principal Officers, Regulation FD Disclosure, Financial Statements and Exhibits	i
16	9/5/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Changes in Control or Registrant, Submission of Matters to a Vote of Security Holders, Regulation FD Disclosure, Other Events	i
17	9/4/2014	GlobeNewswire	ALCO Stores, Inc. Announces Installation of Stan Latacha as New Chief Executive Officer	i
18	8/29/2014	GlobeNewswire	ALCO Stores, Inc. Announces Completion of Its Annual Meeting, Including Installation of Newly Elected Board of Directors	i
19	7/30/2014	Business Wire	Concerned ALCO Stockholders Urges Incumbent Board to Cease Wasting Investor Resources and Accept the Will of the Stockholders	i
20	7/30/2014	GlobeNewswire	ALCO Stores, Inc. Annual Meeting of Stockholders Adjourned Until August 29, 2014	i
21	7/23/2014	GlobeNewswire	ALCO Stores, Inc. Announces Amendment to Rights Agreement	i
22	7/23/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Entry into a Material Definitive Agreement, Material Modification to Rights of Security Holders, Other Events, Financial Statements and Exhibits	i
23	7/23/2014	CRMZ News Service	ALCO STORES INC: a Form 8-A12B/A has been Filed with the SEC	i
24	7/22/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Termination of a Material Definitive Agreement, Financial Statements and Exhibits	i
25	7/22/2014	GlobeNewswire	ALCO Stores, Inc. Responds to Dissident Shareholder Group's Proxy Solicitation Materials	i
26	7/21/2014	Business Wire	ISS: No Confidence in ALCO Stores' Current Board of Directors, According to Concerned ALCO Stockholders	i
27	7/10/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Change in Directors or Principal Officers, Financial Statements and Exhibits	i
28	7/7/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Change in Directors or Principal Officers, Regulation FD Disclosure, Financial Statements and Exhibits	i
29	6/21/2014	CRMZ News Service	Alco Stores Inc -- updated financials available	i
30	6/19/2014	CRMZ News Service	ALCO STORES INC FILES (8-K) Disclosing Change in Directors or Principal Officers, Regulation FD Disclosure, Financial Statements and Exhibits	i
31	6/18/2014	CRMZ News Service	ALCO STORES INC: a Form 10-Q has been Filed with the SEC	i

Interim CFO resigns

2014 Q2 10-Q filing: YTD Net Loss of \$16.2 MM

The election of new directors triggers an event of default under the Credit Agreement with Wells Fargo. Subsequently, the Company received a waiver from the Lender, as a result of which, its financial obligations were not accelerated

Unable to file its quarterly report on Form 10-Q for the quarter ended August 3, 2014 within the prescribed time period

Company's Chief Executive Officer resigns and an interim CEO is appointed

After a proxy fight, shareholders elect new members to the Board of Directors, replacing the former Board

A group of concerned shareholders seek to elect a slate of nominees to replace the current Board of Directors, due to the Company's deteriorating financial performance

2014 Q1 10-Q filing: Net Loss of \$8.1 MM

Termination of Senior Vice President - Chief Financial Officer

...need more depth? Look at the Quarterly Performance Ratios

Company has been unable to turn a profit since late 2013...

Performance Ratios - Sequential Quarters					
(Thousands of U.S. Dollars)					
Period Ended	13 weeks 8/3/2014	13 weeks 5/4/2014	13 weeks 2/2/2014	13 weeks 11/3/2013	13 weeks 8/4/2013
Net Sales \$	\$110,692	\$104,708	\$130,880	\$106,661	\$117,726
% change	5.71%	-20.00%	22.71%	-9.40%	7.83%
Gross Margin \$	\$31,635	\$30,438	\$35,435	\$27,921	\$37,250
% change	3.93%	-14.10%	26.91%	-25.04%	15.38%
% of sales	28.58%	29.07%	27.07%	26.18%	31.64%
change as % of incremental sales	20.00%	n/m	31.03%	n/m	58.01%
SG&A \$	\$35,200	\$32,358	\$38,345	\$35,032	\$32,942
% change	8.78%	-15.61%	9.46%	6.34%	5.59%
% of sales	31.80%	30.90%	29.30%	32.81%	27.98%
change as % of incremental sales	47.49%	n/m	13.68%	n/m	20.39%
Operating margin \$	(\$5,526)	(\$3,863)	(\$6,892)	(\$9,223)	\$2,756
% change	-43.05%	43.95%	25.27%	-508.82%	340.11%
% of sales	-4.99%	-3.69%	-5.27%	-8.65%	2.32%
change as % of incremental sales	-27.79%	n/m	9.62%	n/m	17.34%
EBITDA \$	(\$3,563)	(\$1,915)	(\$2,884)	(\$7,078)	\$4,467
% change	-86.06%	33.60%	59.25%	-258.45%	259.37%
% of sales	-3.22%	-1.83%	-2.20%	-6.64%	3.79%
change as % of incremental sales	-27.54%	n/m	17.32%	n/m	37.69%
Pre-tax income \$	(\$7,000)	(\$4,830)	(\$7,864)	(\$10,075)	\$1,299
% change	-44.93%	38.58%	21.95%	-875.60%	165.24%
% of sales	-6.32%	-4.61%	-6.01%	-9.45%	1.10%
change as % of incremental sales	-36.26%	n/m	9.13%	n/m	38.47%
Net income (loss) \$	(\$8,020)	(\$8,134)	(\$8,619)	(\$16,635)	\$497
% change	1.40%	5.63%	48.19%	-3,447.08%	129.80%
% of sales	-7.25%	-7.77%	-6.59%	-15.60%	0.42%
change as % of incremental sales	1.91%	n/m	33.10%	n/m	25.31%
Tax expense \$	\$0	\$0	(\$362)	\$5,981	\$487
Effective tax rate	0.00%	0.00%	4.60%	-59.36%	37.49%
Depreciation expense \$	\$1,963	\$1,948	\$4,008	\$2,145	\$2,211
% of sales	1.77%	1.86%	3.06%	2.01%	1.88%
% of capital expenses	133.63%	188.21%	140.68%	56.20%	67.84%
% of PP&E, net (annualized)	15.65%	15.28%	30.70%	16.45%	17.40%
Capital expenditures \$	\$1,469	\$1,035	\$2,849	\$3,817	\$3,259
% change	41.93%	-63.67%	-25.36%	17.12%	135.65%
% of PP&E, net (annualized)	11.71%	8.12%	21.83%	29.28%	25.65%
% of working capital (annualized)	7.05%	3.20%	8.64%	11.03%	9.05%
Interest coverage ratio	(2.42)	(1.98)	(2.97)	(8.31)	4.67
% change	-22.06%	33.25%	64.28%	-277.98%	295.43%
Free cash flow \$	(\$5,499)	\$4,534	(\$15,130)	\$3,825	(\$9,906)
% change	-221.28%	129.97%	-495.56%	138.61%	-20.00%
Source:	10-Q 9/22/2014	10-Q 9/22/2014	10-K 5/5/2014	10-Q 12/18/2013	10-Q 9/22/2014

...need more depth? Look at the Quarterly Leverage Ratios

Shareholders' equity on a downward trend due to recurring losses...

Debt to shareholders' equity doubles...

Leverage Ratios - Sequential Quarters (Thousands of U.S. Dollars)					
Period Ended	8/3/2014	5/4/2014	2/2/2014	11/3/2013	8/4/2013
Total debt \$	\$109,436	\$103,035	\$108,408	\$94,029	\$97,757
% change	6.21%	-4.96%	15.29%	-3.81%	11.11%
Stockholders' equity \$	\$60,194	\$68,143	\$76,142	\$84,692	\$101,219
% change	-11.67%	-10.51%	-10.10%	-16.33%	0.58%
Total debt to equity ratio	1.82	1.51	1.42	1.11	0.97
% change	20.24%	6.19%	28.25%	14.95%	10.48%
Tangible net worth \$	\$60,194	\$68,143	\$76,142	\$84,692	\$101,219
% change	-11.67%	-10.51%	-10.10%	-16.33%	0.58%
Total debt to tangible net worth	1.82	1.51	1.42	1.11	0.97
% change	20.24%	6.19%	28.25%	14.95%	10.48%
Total assets \$	\$221,779	\$238,350	\$235,093	\$269,025	\$253,662
% change	-6.95%	1.39%	-12.61%	6.06%	-5.49%
Total debt to assets ratio	0.49	0.43	0.46	0.35	0.39
% change	14.13%	-6.25%	31.93%	-9.32%	17.57%
Net tangible assets \$	\$221,779	\$238,350	\$235,093	\$269,025	\$253,662
% change	-6.95%	1.39%	-12.61%	6.06%	-5.49%
Short-term debt \$	\$77,787	\$783	\$523	\$537	\$574
% change	9,834.48%	49.71%	-2.61%	-6.45%	-0.17%
Short-term debt % of total debt	71.08%	0.76%	0.48%	0.57%	0.59%
% change	9,253.85%	57.52%	-15.53%	-2.74%	-10.16%
Short-term debt % of working capital	177.15%	0.64%	0.39%	0.42%	0.39%
% change	27,692.12%	65.22%	-7.99%	8.68%	-6.45%
Total liabilities \$	\$161,585	\$170,207	\$158,951	\$184,333	\$152,443
% change	-5.07%	7.08%	-13.77%	20.92%	-9.14%
Total liabilities to equity ratio	2.68	2.50	2.09	2.18	1.51
% change	7.47%	19.65%	-4.08%	44.51%	-9.66%
Total liabilities to tangible net worth ratio	2.68	2.50	2.09	2.18	1.51
% change	7.47%	19.65%	-4.08%	44.51%	-9.66%
Source:	10-Q 9/22/2014	10-Q 6/18/2014	10-K 5/5/2014	10-Q 12/18/2013	10-Q 9/18/2013

A covenant default occurred as a result of a change in the Board of Directors, forcing the Company to reclassify its long-term debt to short-term, under a revolving loan.

A jump in short-term debt, while long-term debt declines, is often a forewarning of bankruptcy!

...need more depth? Look at the Quarterly Liquidity Ratios and Rates of Return

Sharp decline in working capital due to the reclassification of debt from long-term to short-term...

Liquidity Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	8/3/2014	5/4/2014	2/2/2014	11/3/2013	8/4/2013
Current assets \$	\$168,656	\$185,515	\$181,597	\$213,771	\$198,832
% change	-9.09%	2.16%	-15.05%	7.51%	-7.27%
% of short-term debt	216.82%	23,692.85%	34,722.18%	39,808.38%	34,639.72%
Current liabilities \$	\$124,745	\$62,663	\$46,019	\$85,702	\$50,039
% change	99.07%	36.17%	-46.30%	71.27%	-33.28%
Working capital \$	\$43,911	\$122,852	\$135,578	\$128,069	\$148,793
% change	-64.26%	-9.39%	5.86%	-13.93%	6.72%
% of sales (annualized)	9.92%	29.33%	25.90%	30.02%	31.60%
Cash \$	\$1,352	\$1,434	\$2,230	\$2,972	\$2,834
% change	-5.72%	-35.70%	-24.97%	4.87%	-3.04%
% of short-term debt	1.74%	183.14%	426.39%	553.45%	493.73%
Cash ratio	0.01	0.02	0.05	0.03	0.06
% change	-52.84%	-52.78%	39.77%	-38.69%	45.13%
Quick assets \$	\$14,571	\$15,677	\$14,535	\$15,097	\$15,268
% change	-7.05%	7.86%	-3.72%	-1.12%	-2.78%
% of short-term debt	18.73%	2,002.17%	2,779.16%	2,811.36%	2,659.93%
Quick ratio	0.12	0.25	0.32	0.18	0.31
% change	-53.32%	-20.77%	79.23%	-42.25%	45.70%
Current ratio	1.35	2.96	3.95	2.49	3.97
% change	-54.33%	-24.98%	58.20%	-37.22%	38.98%
Source:	10-Q 9/22/2014	10-Q 6/18/2014	10-K 5/5/2014	10-Q 12/18/2013	10-Q 9/18/2013

Terrible cash and quick ratios...

Rates of Return - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	13 weeks 8/3/2014	13 weeks 5/4/2014	13 weeks 2/2/2014	13 weeks 11/3/2013	13 weeks 8/4/2013
Return on equity	-11.77%	-10.68%	-10.18%	-16.43%	0.49%
% change	-10.17%	-4.97%	38.08%	-3,427.54%	130.25%
Return on net tangible equity	-11.77%	-10.68%	-10.18%	-16.43%	0.49%
% change	-10.17%	-4.97%	38.08%	-3,427.54%	130.25%
Return on total assets	-3.49%	-3.44%	-3.42%	-6.37%	0.19%
% change	-1.45%	-0.49%	46.28%	-3,443.07%	129.24%
Return on net tangible assets	-3.49%	-3.44%	-3.42%	-6.37%	0.19%
% change	-1.45%	-0.49%	46.28%	-3,443.07%	129.24%
Source:	10-Q 9/22/2014	10-Q 9/22/2014	10-K 5/5/2014	10-Q 12/18/2013	10-Q 9/22/2014

Consistently negative returns...

...need more depth? Look at the Annual Statement of Cash Flows

Unable to generate cash from operating activities...

Statement of Cash Flows - Annual - Standardized					
(Thousands of U.S. Dollars)					
Period Ended	52 weeks 2/2/2014	52 weeks 2/3/2013	52 weeks 1/29/2012	52 weeks 1/30/2011	52 weeks 1/31/2010
			Reclassified 2/3/2013		Reclassified 1/30/2011
Cash Flows from Operating Activities:					
Net income	(\$26,425)	\$1,307	\$1,655	(\$4,635)	\$2,786
Depreciation/depletion	10,545	8,902	8,656	10,075	9,944
Deferred taxes	4,774	191	(1,552)	(609)	1,982
Non-cash Items	74	522	549	390	800
Changes in working capital	(7,703)	(1,479)	(7,471)	(5,655)	731
Total cash from operating activities	(18,158)	9,443	1,837	(434)	16,243
Cash Flows from Investing Activities:					
Capital expenditures	(11,308)	(15,577)	(8,567)	(7,055)	(7,051)
Other investing cash flow items, total	90	145	992	972	77
Total cash from investing activities	(11,218)	(15,432)	(7,575)	(6,083)	(6,974)
Cash Flows from Financing Activities:					
Financing cash flow items	n/a	0	(525)	(1,300)	0
Issuance/retirement of stock, net	0	(3,963)	0	n/a	n/a
Issuance/retirement of debt, net	28,446	10,621	4,565	6,842	(8,849)
Total cash from financing activities	28,446	6,658	4,040	5,542	(8,849)
Net change in cash	(930)	669	(1,698)	(975)	420
Net cash-beginning balance	3,160	2,491	4,189	5,164	4,744
Net cash-ending balance	\$2,230	\$3,160	\$2,491	\$4,189	\$5,164
Supplemental Disclosures:					
Cash interest paid	\$2,415	\$2,089	\$3,013	\$2,845	\$2,109
Cash taxes paid, supplemental	\$140	(\$110)	\$85	(\$339)	(\$4,778)
Auditor/Opinion:	Grant Thornton LLP Unqualified	Grant Thornton LLP Unqualified	Grant Thornton LLP Unqualified	KPMG LLP Unqualified with Explanation	KPMG LLP Unqualified with Explanation
Source:	10-K 5/5/2014	10-K 4/24/2013	10-K 4/24/2013	10-K 4/15/2011	10-K 4/15/2011

The continued issuance of debt to fund operations and working capital needs...

...need more depth? Look at the Peer Analysis

Peer Analysis						
Calendar Year/Quarter:		2014.2 ▾				
Peer Group:		Sector: Services, Industry: Retail (Department & Discount) ▾				
		Refresh				
[Sector: Services] [Industry: Retail (Department & Discount)] [Calendar Year/Quarter: 2014.2]						
Businesses in Peer Group: 448	Ranking Within Peer Group	Number Of Peers Ranked	Company Value	Peer Group Range		
				Low	Median	High
Credit Ratings:						
ZScore -- Current Quarter	127	187	1.26	(205.22)	2.45	687.48
Performance ratios:						
Net Sales (Thousands of U.S. Dollars)	18	19	110,692.00	0.00	578,137.00	120,125,000.00
Gross Margin % of Sales -- Current Quarter	89	184	28.58	(7.09)	28.33	84.78
Gross margin % of Sales -- TTM	97	186	27.69	(159.70)	28.16	86.23
SG&A % of Sales -- Current Quarter	139	180	31.80	2.64	21.05	2,696.60
SG&A % of Sales -- TTM	140	182	31.12	3.01	20.26	2,145.07
Operating Margin % of Sales -- Current Quarter	183	191	(4.99)	(3,462.13)	5.32	55.91
Operating Margin % of Sales -- TTM	183	191	(5.63)	(2,937.84)	5.23	125.57
EBITDA Margin % of Sales -- Current Quarter	138	147	(3.22)	(3,367.11)	6.81	54.83
EBITDA Margin % of Sales -- TTM	181	191	(3.41)	(2,884.64)	7.11	52.96
Net Profit Margin % of Sales -- Current Quarter	186	191	(7.25)	(3,236.06)	3.28	44.09
Net Profit Margin % of Sales -- TTM	184	191	(9.14)	(2,818.81)	3.59	207.70
Pre-tax Income % of Sales -- Current Quarter	185	191	(6.32)	(3,366.35)	5.04	55.91
Effective Tax Rate	26	192	0.00	(172.25)	26.15	239.04
Depreciation % Of Prop/Plant/Equipment	114	142	15.65	1.63	8.40	129.49
CapitalExpense % Of Prop/Plant/Equipment	78	150	11.71	0.12	10.70	126.49
Interest Coverage -- Current Quarter	119	129	(2.42)	(123.76)	8.12	1,772.47
Interest Coverage -- TTM	164	170	(3.62)	(594.93)	7.45	2,775.78
Liquidity ratios:						
Cash Ratio	186	189	0.01	0.00	0.28	648.77
Quick Ratio	168	176	0.12	0.05	0.46	649.48
Current Ratio	82	190	1.35	0.00	1.19	649.49
Efficiency ratios:						
Accounts Receivable Turnover	93	177	32.25	0.23	36.68	26,639.45
Days Sales Outstanding	107	191	11.32	0.00	8.82	1,573.52
% Inventory Financed by Vendors -- Current Quarter	169	179	18.78	4.58	112.80	2,465.37
% Inventory Financed by Vendors -- TTM	169	182	23.64	5.95	118.89	77,750.00
Inventory Turnover (annualized) -- Current Quarter	167	187	2.01	0.00	5.76	272.00
Inventory Turnover -- TTM	170	189	1.93	0.00	5.64	272.00
Days Sales in Inventory	167	182	181.81	1.34	62.59	1,874.15
Inventory to Working Capital	104	185	3.40	(303.95)	0.27	12.01
Accounts Payable Turnover (annualized) -- Current Quarter	54	188	8.49	0.00	5.97	42.28
Accounts Payable Turnover -- TTM	62	190	8.18	0.00	6.63	43.75
Leverage & debt coverage:						
Total Debt to Equity Ratio	141	165	1.82	0.00	0.65	23.20
Debt to Tangible Equity Ratio	129	155	1.82	0.00	0.71	22.30
Total Debt to Assets Ratio	155	169	0.49	0.00	0.25	1.11
Short-Term Debt % of Total Debt	110	162	71.08	0.00	45.72	100.00
Short-Term Debt % of Working Capital	86	164	177.15	(16,064.44)	4.07	869.42
Liabilities to Net Worth Ratio	138	176	2.68	0.00	1.45	65.28
Total Liabilities to Equity Ratio	152	186	2.68	0.00	1.28	64.79
TTM = trailing 12 months N/A = Not Available	Green - Ranked in Upper Quartile of Peer Group White - Ranked in the Middle Two Quartiles of Peer Group Red - Ranked in Lower Quartile of Peer Group Grey - Data is Not Available					

Bottom quartile in a majority of ratios (highlighted in red) vs. Retail Industry Peers

The MD&A issued in early August 2014, highlights that the Company's results from operations and earnings have been adversely affected by an uncertain business environment, declining demand, and aggressive competition. As a result of these factors, it is highly probable that the Company will be unable to generate sufficient cash and working capital to fund operations, and continue as a going concern. Moreover, the Company admits that if it is unable to successfully employ an out-of-court restructuring solution to improve its degraded liquidity position, it may be forced to implement an in-court proceeding under the Bankruptcy Code, causing it to default on its debt with existing creditors...

...and in October 2014, the Company files for bankruptcy...

CreditRiskMonitor (CRMZ)

Site Map About Us Directory Lookup Portfolio News Account Help Sign Off Back	
Report	Alco Stores Inc
Overview	751 Freeport Pkwy Phone: (469) 322-2900 COPPELL, TX 75019-4411 United States Ticker: ALCS
Company News	Filed for Bankruptcy on 10/12/2014 Case #14-34941, filed in the U.S. Bankruptcy Court for the Northern District of Texas (Dallas)
Risk Ratings	
Important Information	Management Discussion and Analysis For the period ended 8/3/2014
Annual Financials	Liquidity and Capital Resources (Back to top)
Year/Year Interim	We experienced losses for the twenty-six week period ended August 3, 2014, primarily attributed to a prolonged downturn in our business. Our ability to generate cash from operations depends in large part on the level of demand for our products and services. We continue to face an uncertain business environment and face a number of fundamental challenges in our business due to aggressive competition.
Sequential Quarters	Given our negative cash flows from operations and in order to meet our expected cash needs for the very near term and over the longer term, we will be required to obtain additional liquidity sources, consolidate our store base and possibly restructure our debt and other obligations. We are exploring alternatives and anticipate engaging in discussions with third parties as well as our key financial stakeholders, including our existing lenders, stockholders and landlords, in an effort to create a long-term solution. Alternatives include the issuance and sale of debt or equity, the sale of our inventory or assets, as well as both in and out-of-court restructuring. We are evaluating all of our alternatives to restructure existing debt terms and other arrangements to provide additional liquidity. There can be no assurance that we will be able to successfully implement a long-term solution.
Liquidity (MD&A)	
Liquidity (MD&A) History	If acceptable terms of an out-of court transaction cannot be accomplished, we may not have enough cash and working capital to fund our operations beyond the very near term, which raises substantial doubt about our ability to continue as a going concern. As a result, we may be required to seek to implement an in-court proceeding under the Bankruptcy Code. If we commence a voluntary reorganization under the Bankruptcy Code, we will attempt to arrange a "pre-packaged" or "pre-arranged" bankruptcy filing. In a "pre-packaged" bankruptcy, we would attempt to make arrangements with new and existing creditors for additional liquidity facilities and the restructuring of our existing debt terms, before presenting these arrangements to the bankruptcy court for approval. In the absence of a "pre-packaged" bankruptcy, we would consider a "pre-arranged" bankruptcy filing, in which we would reach agreement on the material terms of a plan of reorganization with key creditors prior to the commencement of the bankruptcy case. An in-court restructuring proceeding would cause a default on our debt with our current lenders.
Same Store Sales	
SEC Filings	
Peer Analysis	
Payments	
Public Filings	
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Access History	
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Print/Save Report	
Currency Converter	