Boot Barn Holdings, Inc.
Form 424B4
February 27, 2015

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Filed Pursuant to Rule 424(b)(4)
Registration Statement No. 333-202112

PROSPECTUS

5,422,212 shares

Common stock

This is a public offering of common stock of Boot Barn Holdings, Inc. The selling stockholders named in this prospectus, some of whom are certain of our directors and other affiliates, are selling 5,422,212 shares of our common stock, and we will not receive any proceeds from the sale of the shares by the selling stockholders.

Our common stock is listed on the New York Stock Exchange under the symbol "BOOT". On February 25, 2015, the last reported sale price of our common stock on the New York Stock Exchange was $24.04 per share.

The selling stockholders have granted the underwriters an option to purchase up to 813,332 additional shares of our common stock at the public offering price, less the underwriting discount, for 30 days after the date of this prospectus. We will not receive any proceeds from the exercise of the underwriters' option to purchase additional shares.

We are an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012, and therefore have elected to comply with certain reduced public company reporting requirements. See "Prospectus summary Implications of being an emerging growth company".

Investing in our common stock involves risks. See "Risk factors" beginning on page 12 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful and complete. Any representation to the contrary is a criminal offense.

	Per share	Total
Public offering price	$ 23.50	$ 127,421,982
Underwriting discount*	$ 1.175	$ 6,371,099
Proceeds to the selling stockholders, before expenses	$ 22.325	$ 121,050,883

* We refer you to "Underwriting" beginning on page 120 of this prospectus for additional information regarding underwriting compensation.

The underwriters expect to deliver the shares to purchasers on or about March 3, 2015 through the book entry facilities of the Depository Trust Company.

J.P. Morgan **Piper Jaffray** **Jefferies**

Wells Fargo Securities **Baird**

Prospectus dated February 25, 2015.

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You should rely only on the information contained in this prospectus or contained in any free writing prospectus filed with the Securities and Exchange Commission, which we refer to as the SEC. Neither we nor the underwriters have authorized anyone to provide you with additional information or information different from that contained in this prospectus or in any free writing prospectus filed with the SEC. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give to you. The selling stockholders are offering to sell, and seeking offers to buy, our common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any free writing prospectus, or of any sale of our common stock.

For investors outside the U.S.: neither we nor any of the underwriters have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the U.S. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus outside of the U.S.

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Basis of presentation

We operate on a fiscal calendar that results in a 52- or 53-week fiscal year ending on the Saturday closest to March 31. For ease of reference, we identify our fiscal year in this prospectus by reference to the calendar year in which the fiscal year ends. This prospectus contains references to fiscal 2012, fiscal 2013, fiscal 2014 and fiscal 2015, which represent our fiscal years ended March 31, 2012, March 30, 2013, March 29, 2014 and March 28, 2015, respectively, all of which were 52-week periods. This prospectus also contains references to fiscal 2011, which represents our fiscal year ended April 2, 2011 and was a 53-week period. In a 52-week fiscal year, each quarter includes 13 weeks of operations; in a 53-week fiscal year, the first, second and third quarters each include 13 weeks of operations and the fourth quarter includes 14 weeks of operations. Each quarter ends on the last Saturday of the 13-week period (or the 14-week period in a 53-week fiscal year).

The period from April 3, 2011 to December 11, 2011, which is presented separately as the "Predecessor Period" in this prospectus, consisted of approximately 36 weeks. The period from December 12, 2011 to March 31, 2012, which is presented separately as the "Successor Period" in this prospectus, consisted of approximately 16 weeks. References in this prospectus to fiscal 2012 represent the sum of the results of the Predecessor Period and Successor Period.

As used in this prospectus, the following terms have the following meanings:

- "CAGR" means compound annual growth rate;
- "GAAP" means U.S. generally accepted accounting principles;
- "net cash investment" means, for a given store, our initial cash investment in that store, which consists of the cost of the initial inventory (net of accounts payable), pre-opening costs and capital investment (net of tenant improvement allowances); and
- "working capital" means current assets, excluding cash and cash equivalents, minus current liabilities, excluding the current portion of debt under our credit facilities, as determined in accordance with GAAP.

References in this prospectus to our "credit facilities" refer to (a) prior to the Refinancing (as defined in "Prospectus Summary Recent developments") on February 23, 2015, our term loan facility with Golub Capital LLC, which we refer to as our prior term loan facility, and our revolving credit facility with PNC Bank, N.A., which we refer to as our prior revolving credit facility, which together we refer to as our prior credit facilities and (b) from and after the Refinancing on February 23, 2015, our senior credit facility with Wells Fargo Bank, N.A., which we refer to as our new credit facility.

Amounts presented in this prospectus in millions are approximations of the actual amounts in that they have been rounded to the nearest one decimal place.

Unless the context requires otherwise, references in this prospectus to "Boot Barn", the "Company", "we", "us" and "our" refer to Boot Barn Holdings, Inc. and its consolidated subsidiaries. Except as the context otherwise requires, all information included in this prospectus is presented after giving effect to the reorganization described in "Management's discussion and analysis of financial condition and results of operations Factors affecting comparability of results of operations Reorganization".

References in this prospectus to "RCC" refer to RCC Western Stores, Inc., which we acquired in August 2012, and references in this prospectus to "Baskins" refer to Baskins Acquisition Holdings, LLC, which we acquired in May 2013.

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Trademarks and trade names

This prospectus includes our trademarks and trade names, such as "Boot Barn" and the names of our private brands, which are protected under applicable intellectual property laws and are our property. This prospectus also contains trademarks, trade names and service marks of other companies, which are the property of their respective owners. Solely for convenience, trademarks, trade names and service marks referred to in this prospectus may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of any applicable licensor to these trademarks, trade names and service marks. We do not intend our use or display of other parties' trademarks, trade names or service marks to imply, and such use or display should not be construed to imply, a relationship with, or endorsement or sponsorship of us by, these other parties.

Industry and market data

Unless otherwise indicated, statements in this prospectus concerning our industry and the markets in which we operate, including our general expectations and competitive position, business opportunity and market size, growth and share, are based on information from independent industry organizations and other third-party sources (including industry publications, surveys and forecasts), data from our internal research and management estimates. Management estimates are derived from publicly available information and the information and data referred to above, and are based on assumptions and calculations made by us based upon our interpretation of such information and data, and on our knowledge of our industry and the categories in which we operate, which we believe to be reasonable. Furthermore, the information and data referred to above are imprecise and may prove to be inaccurate because the information cannot always be verified with complete certainty due to the limitations on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties. However, we are responsible for all of the disclosure in this prospectus and believe it to be reasonable. Projections, assumptions, expectations, beliefs and estimates regarding our industry and the categories in which we operate and our future performance are also necessarily subject to risk and change based on various factors, including those discussed under the heading "Risk factors".

Certain statements in this prospectus regarding the estimated size and growth of the U.S. western and work wear markets are based on information from a study that we engaged Mōd Advisors LLC, or Mōd, to conduct, which we refer to as the Mōd study. The Mōd study was based, in part, upon industry data obtained from a March 2014 publication by Global Industry Analysts entitled "Workwear: A Global Strategic Business Report". The Mōd study was also based upon information and estimates obtained during interviews that Mōd conducted with executives at several western and work wear manufacturers, as well as an online survey commissioned by Mōd of 2,045 adults and teenagers regarding purchases of western wear products. A broader sampling and different methodologies, among other variables, could have led Mōd to arrive at different results; however, we know of no better methodology for estimation nor do we have any reason to believe that Mōd's consideration of additional or different data would have materially changed its conclusions regarding the size of the U.S. market for the western and work wear categories. We have not independently verified any of the data from the Mōd study, nor have we ascertained the underlying economic assumptions upon which the Mōd study relied. Market research is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products should be included in the relevant market. As a result, please be aware that the data and statistical information in this prospectus from the Mōd study may differ from information provided by our competitors or from information found in current or future studies conducted by market research institutes, consultancy firms or independent sources.

Statements in this prospectus regarding our competitive position, business opportunity and market size, growth and share in the U.S. are based on data that may not account for certain retailers. However, we believe that this data is a reasonable approximation of all relevant retailers, and we have no reason to believe that the inclusion of additional retailers in the data collection process would materially change the conclusions that we have drawn from this data. In addition, statements in this prospectus regarding the characteristics and preferences of our customers are based on internal analyses of our customers that have not been independently verified. A broader sampling of our customers and different methodologies, among other variables, could lead to different results; however, we know of no better methodology for estimation, nor do we have any reason to believe that our consideration of additional or different survey data would materially change the conclusions that we have drawn from these surveys.

Same store sales

As used in this prospectus, the term "same store sales" generally refers to net sales from stores that have been open at least 13 full fiscal months as of the end of the current reporting period, although we include or exclude stores from our calculation of same store sales in accordance with the following additional criteria:

- stores that are closed for five or fewer days in any fiscal month are included in same store sales;
- stores that are closed temporarily, but for more than five days in any fiscal month, are excluded from same store sales beginning in the fiscal month in which the temporary closure begins until the first full month of operation once the store re-opens;
- stores that are closed temporarily and relocated within their respective trade areas are included in same store sales;
- stores that are permanently closed are excluded from same store sales beginning in the month preceding closure; and
- acquired stores are added to same store sales beginning on the later of (a) the first day of the first fiscal month following its applicable acquisition date and (b) the first day of the first fiscal month after the store has been open for at least 13 full fiscal months regardless of whether the store has been operated under our management or predecessor management.

If the criteria described above are met, then all net sales of an acquired store, excluding those net sales before our acquisition of that store, are included for the period presented. However, when an acquired store is included for the period presented, the net sales of such acquired store for periods before its acquisition are included (to the extent relevant) for purposes of calculating "same stores sales growth" and illustrating the comparison between the applicable periods. Pre-acquisition net sales numbers are derived from the books and records of the acquired store, or acquired company in the case of RCC and Baskins, as prepared prior to the acquisition by the acquired store or acquired company and have not been independently verified by us.

In addition to retail store sales, same store sales also includes e-commerce sales, e-commerce shipping and handling revenue and actual retail store or e-commerce sales returns. We exclude gift card escheatment and our provision for sales returns and future award redemptions from our sales in deriving net sales per store.

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As used in this prospectus, the term "same store sales growth" refers to the percentage change in our same store sales as compared to the prior comparable period.

We believe that same store sales and same store sales growth provide investors with helpful information about our operating performance. Some of our competitors and other retailers may calculate "same" or "comparable" store sales or "same" or "comparable" store sales growth differently than we do. As a result, data in this prospectus regarding our same store sales and same stores sales growth may not be comparable to similar data made available by our competitors and other retailers. In addition, data regarding same store sales and same store sales growth are not audited or reviewed by our independent registered public accounting firm.

Non-GAAP financial measures

EBITDA and Adjusted EBITDA are financial measures that are not calculated in accordance with GAAP. We define EBITDA as net income (loss) adjusted to exclude income tax expense (benefit), net interest expense and depreciation and intangible asset amortization. We define Adjusted EBITDA as EBITDA adjusted to exclude non-cash stock-based compensation, the non-cash accrual for future award redemptions, recapitalization expenses, acquisition expenses, acquisition-related integration and reorganization costs, amortization of inventory fair value adjustment, loss on disposal of assets and other unusual or non-recurring expenses. In this prospectus, we present these non-GAAP measures together with a reconciliation of EBITDA and Adjusted EBITDA to our net income (loss), the most directly comparable financial measure calculated and presented in accordance with GAAP. See "Prospectus summary Summary consolidated financial and other data" and "Selected consolidated financial data".

We include EBITDA and Adjusted EBITDA in this prospectus because they are important financial measures that our management, board of directors and lenders use to assess our operating performance. We use EBITDA and Adjusted EBITDA as key performance measures because we believe that they facilitate operating performance comparisons from period to period by excluding potential differences primarily caused by the impact of variations from period to period in tax positions, interest expense and depreciation and amortization, as well as, in the case of Adjusted EBITDA, excluding non-cash expenses, such as non-cash stock-based compensation and the non-cash accrual for future award redemptions, and unusual or non-recurring costs and expenses that are not directly related to our operations, including recapitalization expenses, acquisition expenses, acquisition-related integration and reorganization costs, amortization of inventory fair value adjustment, loss on disposal of assets and other unusual or nonrecurring expenses. Because EBITDA and Adjusted EBITDA facilitate internal comparisons of our historical operating performance on a more consistent basis, we also use EBITDA and Adjusted EBITDA (or some variations thereof) for business planning purposes, in calculating covenant compliance for our credit facilities, in determining incentive compensation for members of our management and in evaluating acquisition opportunities. In addition, we believe that EBITDA and Adjusted EBITDA and similar measures are widely used by investors, securities analysts, ratings agencies and other parties in evaluating companies in our industry as a measure of financial performance and debt-service capabilities.

Our use of EBITDA and Adjusted EBITDA has limitations as an analytical tool. Some of these limitations are:

- neither EBITDA nor Adjusted EBITDA reflects income tax expense or the cash requirements to pay our taxes;

- neither EBITDA nor Adjusted EBITDA reflects our cash expenditures for capital equipment, leasehold improvements or other contractual commitments;

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- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and neither EBITDA nor Adjusted EBITDA reflects capital expenditure requirements for such replacements;

- neither EBITDA nor Adjusted EBITDA reflects the interest expense or the cash requirements necessary to service interest or principal payments under our credit facilities; and

- neither EBITDA nor Adjusted EBITDA reflects changes in, or cash requirements for, our working capital needs.

EBITDA and Adjusted EBITDA should not be considered in isolation or as alternatives to net income or any other measure of financial performance calculated and presented in accordance with GAAP. Given that EBITDA and Adjusted EBITDA are measures not deemed to be in accordance with GAAP and are susceptible to varying calculations, our EBITDA and Adjusted EBITDA may not be comparable to similarly titled measures of other companies, including companies in our industry, because other companies may calculate EBITDA and Adjusted EBITDA in a different manner than we calculate these measures.

In evaluating EBITDA and Adjusted EBITDA, you should be aware that in the future we may or may not incur expenses similar to some of the adjustments in this presentation. Our presentation of EBITDA and Adjusted EBITDA does not imply that our future results will be unaffected by these expenses or any unusual or non-recurring items. When evaluating our performance, you should consider EBITDA and Adjusted EBITDA alongside other financial performance measures, including our net income and other GAAP results, and not rely on any single financial measure.

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Prospectus summary

This summary highlights information contained elsewhere in this prospectus and does not contain all the information that you should consider in making your investment decision. Before investing in our common stock, you should read this entire prospectus carefully, including the sections entitled "Risk factors" and "Management's discussion and analysis of financial condition and results of operations" and our consolidated financial statements, condensed consolidated financial statements and related notes included elsewhere in this prospectus.

Our company

We are the largest and fastest-growing lifestyle retail chain devoted to western and work-related footwear, apparel and accessories in the U.S. With 165 stores in 26 states as of February 6, 2015, we have over twice as many stores as our nearest direct competitor that sells primarily western and work wear, and believe we have the potential to grow our store base to at least 400 domestic locations. Our stores, which are typically freestanding or located in strip centers, average 10,800 square feet and feature a comprehensive assortment of approximately 200 brands and more than 1,500 styles on average, coupled with attentive, knowledgeable store associates. We target a broad and growing demographic, ranging from passionate western and country enthusiasts to workers seeking dependable, high-quality footwear and clothing. We strive to offer an authentic, one-stop shopping experience that fulfills the everyday lifestyle needs of our customers and, as a result, many of our customers make purchases in both the western and work wear sections of our stores. Our store environment, product offering and marketing materials represent the aesthetics of the true American West, country music and rugged, outdoor work. These threads are woven together in our motto, "Be True", which communicates the genuine and enduring spirit of the Boot Barn brand.

Our product offering is anchored by an extensive selection of western and work boots and is complemented by a wide assortment of coordinating apparel and accessories. Many of the items that we offer are basics or necessities for our customers' daily lives and typically represent enduring styles that are not impacted by changing fashion trends. We carry market-leading assortments of boots, denim, western shirts, cowboy hats, belts and belt buckles, western-style jewelry and accessories. Our western assortment includes many of the industry's most sought-after brands, such as *Ariat*, *Dan Post*, *Justin*, *Levi Strauss*, *Lucchese*, *Miss Me*, *Montana Silversmiths*, *Resistol* and *Wrangler*. Our work assortment includes rugged footwear, outerwear, overalls, denim and shirts for the most physically demanding jobs where durability, performance and protection matter, including safety-toe boots and flame-resistant and high-visibility clothing. Among the top work brands sold in our stores are *Carhartt*, *Dickies*, *Timberland Pro* and *Wolverine*. Our merchandise is also available on our e-commerce website, www.bootbarn.com.

Boot Barn was founded in 1978 and, over the past 37 years, has grown both organically and through successful strategic acquisitions of competing chains. We have rebranded and remerchandised the acquired chains under the Boot Barn banner, resulting in sales and profit increases over their original concepts. We believe that our business model and scale provide us with competitive advantages that have contributed to

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our consistent and strong financial performance, generating sufficient cash flow to support national growth, as evidenced by:

21 consecutive quarters of positive same store sales growth averaging 10.9% per quarter (see the diagram below) and same store sales growth of 6.7% in fiscal 2014;

store base expansion to 165 stores as of February 6, 2015, with 25 new stores resulting from organic growth and 55 new stores resulting from strategic acquisitions since March 31, 2012;

net sales of $345.9 million in fiscal 2014, an increase of $177.2 million since fiscal 2012, representing a CAGR of 43.2%; and

Adjusted EBITDA of $40.3 million in fiscal 2014, an increase of $18.6 million since fiscal 2012, representing a 36.2% CAGR (see " Summary consolidated financial and other data" for a discussion and reconciliation of Adjusted EBITDA to net income).

Quarterly same store sales growth
21 consecutive quarters of growth

For a description of the manner in which we calculate same store sales, see "Same store sales" at the beginning of this prospectus.

Our competitive strengths

We believe the following strengths differentiate us from our competitors and provide a solid foundation for future growth:

Powerful lifestyle brand. Our deep understanding of the western lifestyle enables us to create long-lasting relationships with our customers. Our brand is highly visible through our sponsorship of western events, which, in fiscal 2014, included 257 local community rodeos, 9 national rodeos and 89 other country and western events. We believe these grassroots marketing efforts make our brand synonymous with the western lifestyle, validate our brand's authenticity and establish Boot Barn as the trusted specialty retailer for all of our customers' everyday needs.

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Largest and fastest growing specialty retailer of western and work wear in the U.S. Our broad geographic footprint, which currently spans 26 states, provides us with significant economies of scale, enhanced supplier relationships, the ability to recruit and retain high quality store associates and the ability to reinvest in our business at levels that we believe exceed those of our competition. Over the past two full fiscal years, we have grown our stores at a 32.9% CAGR.

Attractive, loyal customer base. Our customers come to us for many aspects of their everyday footwear and clothing needs because of the breadth and availability of our product offering. Our loyalty program, B Rewarded, has grown rapidly since its inception in 2011, and includes approximately 2.6 million members who have purchased merchandise from us as of February 6, 2015. Approximately 90% of our sales in fiscal 2014 were generated by customers who were already in our loyalty program or signed up to participate in our loyalty program at the time of their purchase.

Differentiated shopping experience. We deliver a one-stop shopping experience that engages our customers and, we believe, fulfills their lifestyle needs. Our stores are designed to create an inviting and engaging experience and feature strong in-stock positions across our broad assortment of boots, apparel and accessories. Our knowledgeable store associates are passionate about our merchandise and deliver a high level of service to our customers. These elements help promote customer loyalty and drive repeat visits.

Compelling merchandise assortment and strategy. We believe we offer a diverse merchandise assortment that features the most sought-after western and work wear brands, well-regarded niche brands and exclusive private brands across a range of boots, apparel and accessories. In fiscal 2014, the vast majority of our merchandise sales were at full price, which, we believe, demonstrates the strength of our brand and the less discretionary nature of our product offering.

Portfolio of exclusive private brands. We have leveraged our scale, merchandising experience and customer knowledge to launch a portfolio of private brands exclusive to us, including *Shyanne*, *Cody James*, *Moonshine Spirit by Brad Paisley, American Worker, El Dorado* and *BB Ranch*. Our private brands offer high-quality western and work boots as well as apparel and accessories for men, ladies and kids and address product and price segments that we believe are underserved by third-party brands.

Versatile store model with compelling unit economics. We have successfully opened and currently operate stores that generate strong cash flow, consistent store-level financial results and an attractive return on investment across a variety of geographies, markets, store sizes and location types. As of the end of fiscal 2014, all of our stores included in same store sales were profitable. Our new store model requires an average net cash investment of approximately $0.7 million and targets an average payback period of less than three years.

Highly experienced management team and passionate organization. Our senior management team has extensive experience across all key retail disciplines. With an average of approximately 25 years of experience in their respective functional areas, our senior management team has been instrumental in developing a robust and scalable infrastructure to support our growth. Our senior management team embraces the genuine and enduring qualities of the western lifestyle and has created a positive culture of enthusiasm and entrepreneurial spirit which is shared by team members throughout our entire organization. Our strong company culture is exemplified by the long tenure of our employees at all levels. For example, our district and regional managers have an average of eight years of service with us and our store managers have an average of more than five years of service with us, including the companies acquired by us.

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Our growth strategies

We are pursuing several strategies to continue our profitable growth, including:

Expanding our store base. Driven by our compelling store economics and based on an extensive internal analysis, we believe that we have the potential to grow our domestic store base from 165 stores as of February 6, 2015 to at least 400 domestic locations. We currently plan to target new store openings in both existing markets and new, adjacent and underserved markets. Over the past several years, we have made significant investments in personnel, information technology, warehouse infrastructure and an e-commerce platform to support the expansion of our operations. We believe that we can grow our store base in the U.S. by at least 10% annually for the next several years.

Driving same store sales growth. We believe that we can continue to grow our same store sales by increasing our brand awareness, driving additional traffic to our stores and increasing the amount of merchandise purchased by customers while visiting our stores. Our management team has launched several initiatives to accelerate growth, enhance our store associates' selling skills, drive store-level productivity and increase customer engagement through our loyalty program.

Enhancing brand awareness. We intend to enhance our brand awareness and customer loyalty in a number of ways, such as continuing to grow our store base and our online and social media initiatives. We use broadcast media such as radio, television and outdoor advertisements to reach customers in new and existing markets. We also have an effective social media strategy with high customer engagement, as evidenced by our Facebook fan base. According to Internet Retailer, we were ranked number one for having the fastest growing fan base of all merchants covered by their survey released in January 2014.[1] As of February 6, 2015, our Facebook fan base eclipsed 2.3 million fans.

Growing our e-commerce business. We continue to make investments aimed at increasing traffic to our e-commerce website, which reached over 7.5 million visits in fiscal 2014, and increasing the amount of merchandise purchased by customers who visit our website, while improving the shopping experience for our customers. Since re-launching our e-commerce website with a new platform in fiscal 2011, our e-commerce sales grew at a 38.2% CAGR through fiscal 2014. Our e-commerce business allows us to reach customers outside our geographic footprint, with 32.7% of our domestic e-commerce sales during fiscal 2014 being made to customers in states where we do not operate stores.

Increasing profitability. Our ability to leverage our infrastructure and drive store-level productivity due to economies of scale is expected to be a primary driver of our improvement in profitability. We intend to continually refine our merchandise mix and increase the penetration of our private brands to help differentiate us from our competitors and achieve higher merchandise margins. We also expect to capitalize on additional economies of scale in purchasing and sourcing as we grow our geographic footprint and online presence.

Our market opportunity

We participate in the large, growing and highly fragmented western and work wear markets of the broader apparel and footwear industry. We offer a variety of boots, apparel and accessories that are basics or necessities for our customers' daily lives. Many of our customers are employed in the agriculture, oil and gas, manufacturing and construction industries, and are often country and western enthusiasts.

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1 Source: Stefany Zaroban, *How Boot Barn uses Facebook to build a national brand*, Internet Retailer (January 9, 2014), https://www.internetretailer.com/2014/01/09/how-boot-barn-uses-facebook-build-national-brand.

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The following data regarding these markets is derived from the Mōd study referenced at the beginning of this prospectus. See "Industry and market data". The U.S. western and work wear markets represented approximately $8 billion and $12 billion in retail sales, respectively, in calendar year 2013. The western wear market is composed of footwear, apparel and accessories, which in 2013 represented approximately $3.0 billion, $3.5 billion and $1.5 billion in retail sales, respectively. The work wear market is composed of footwear and apparel, which in 2013 represented approximately $3.0 billion and $9.0 billion in retail sales, respectively. Between 2009 and 2013, the western and work wear markets experienced estimated annual retail sales growth of approximately 6% to 8% and 1% to 3%, respectively. Over the next three to five years, Mōd estimates that retail sales in the western and work wear markets will grow annually at approximately 3% to 5% and 2% to 4%, respectively. We believe that growth in the western wear market has been and will continue to be driven by the growth of western events, such as rodeos, the popularity of country music and the continued strength and endurance of the western lifestyle. We believe that growth in the work wear market has been and will continue to be driven by increasing activity in the construction sector and the return of domestic manufacturing. Additionally, government regulations for workplace safety have driven and, we believe, will continue to drive, sales in specific categories, such as safety-toe boots and flame-resistant and high-visibility clothing for various industrial and outdoor occupations.

Risks associated with our business

We believe that our business strategy will continue to offer significant opportunities, but it also presents risks and challenges. These risks and challenges include, but are not limited to, the following:

- there may be a decline in consumer spending or changes in consumer preferences;
- we may not be able to effectively execute on our growth strategy, including our store growth plan;
- we may not be able to maintain and enhance our strong brand image;
- we may not compete effectively;
- we may not be able to maintain good relationships with our key suppliers;
- we may not be able to improve and expand our exclusive product offerings; and
- there may be a substantial increase in product costs or general inflation.

See "Risk factors" for other important factors that could adversely impact our results of operations.

Stock split

On October 27, 2014, we amended our certificate of incorporation to effect a 25-for-1 stock split of our common stock. All references in this prospectus to shares of common stock, options to purchase shares of common stock, per share data and related information have been retroactively adjusted, where applicable, to reflect this stock split as if it had occurred at the beginning of the earliest period presented.

Principal investor

Freeman Spogli & Co. is a private equity firm dedicated exclusively to investing and partnering with management in consumer-related and distribution companies in the U.S. Since its founding in 1983, Freeman Spogli & Co. has invested $3.4 billion of equity in 51 portfolio companies with aggregate transaction values of $20 billion. Freeman Spogli & Co. acquired its shares of our common stock in December 2011 in a transaction that we refer to as the Recapitalization. See "Management's discussion and analysis of financial condition and results of operations Factors affecting comparability of results of operations Recapitalization". Following the completion of this offering, Freeman Spogli & Co. will beneficially own approximately 50.1% of our outstanding common stock, or 47.3% if the underwriters fully

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exercise their option to purchase additional shares. It is possible that the interests of Freeman Spogli & Co. may in some circumstances conflict with our interests and the interests of our other stockholders.

Our corporate information

Boot Barn Holdings, Inc. was formed in Delaware on November 17, 2011 as WW Top Investment Corporation to facilitate the Recapitalization. On June 9, 2014, WW Holding Corporation and Boot Barn Holding Corporation were each merged with and into WW Top Investment Corporation. On June 10, 2014, the legal name of WW Top Investment Corporation was changed to Boot Barn Holdings, Inc. Our principal executive offices are located at 15776 Laguna Canyon Road, Irvine, California, 92618 and our telephone number is (949) 453-4400. Our website address is www.bootbarn.com. We do not incorporate the information contained on, or accessible through, our corporate website into this prospectus, and you should not consider it part of this prospectus. We have included our website address only as an inactive textual reference and do not intend it to be an active link to our website.

Implications of being an emerging growth company

We are an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012, which we refer to as the JOBS Act. We will remain an emerging growth company until the earlier of (1) the last day of our fiscal year (a) following the fifth anniversary of the completion of our initial public offering, (b) in which we have total annual gross revenue of at least $1.0 billion, or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds $700.0 million as of the last business day of our most recently completed second fiscal quarter, and (2) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the prior three-year period.

An emerging growth company may take advantage of specified reduced reporting and other burdens that are otherwise applicable generally to public companies. These provisions include:

- the option to report only two years of audited financial statements and to present management's discussion and analysis of financial condition and results of operations for only those two years;
- exemption from the provisions of Section 404(b) of the Sarbanes-Oxley Act of 2002, which we refer to as the Sarbanes-Oxley Act, requiring that an independent registered public accounting firm provide an attestation report on the effectiveness of our internal controls over financial reporting;
- exemption from the "say on pay" and "say on golden parachute" advisory vote requirements of the Dodd-Frank Wall Street Reform and Customer Protection Act, which we refer to as the Dodd-Frank Act;
- exemption from certain disclosure requirements of the Dodd-Frank Act relating to compensation of our executive officers and permission to omit the detailed compensation discussion and analysis from proxy statements and reports filed under the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act; and
- permission to provide a reduced level of disclosure concerning executive compensation and exemption from any rules that may be adopted by the Public Company Accounting Oversight Board requiring mandatory audit firm rotations or a supplement to the auditor's report on the financial statements.

We have not taken advantage of certain of these reduced reporting burdens in this prospectus, although we may choose to do so in future filings. If we do take advantage of any of these exemptions, we cannot

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predict if investors will find our common stock less attractive, or if taking advantage of these exemptions would result in less active trading or more volatility in the price of our common stock.

In addition, Section 107 of the JOBS Act also provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended, which we refer to as the Securities Act, for complying with new or revised accounting standards. However, we have chosen to "opt out" of such extended transition period, and as a result, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-emerging growth companies. Our decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

Recent developments

On February 23, 2015, we and Boot Barn, Inc., our primary operating subsidiary, entered into our new credit facility and used advances thereunder to refinance the full amount of our prior credit facilities, which we refer to as the Refinancing. Our new credit facility consists of a $75.0 million revolving credit facility, including a $5.0 million sub-limit for letters of credit, and a $75.0 million term loan, and also provides us with the ability to incur additional incremental term loans of up to $50.0 million, provided that certain conditions are met, including pro forma covenant compliance. Immediately after giving effect to the Refinancing, approximately $101.1 million of total debt was outstanding under our new credit facility and there was approximately $48.9 million of unused availability under the revolving portion of our new credit facility. See "Management's discussion and analysis of financial condition and results of operations Liquidity and capital resources Our new credit facility" for a summary of certain material terms of our new credit facility.

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The offering

Common stock offered by the selling stockholders	5,422,212 shares (or 6,235,544 shares if the underwriters exercise in full their option to purchase additional shares)
Common stock outstanding after this offering	25,709,194 shares
Use of proceeds	The selling stockholders will receive all of the proceeds, after deducting underwriting discounts, from this offering. We will not receive any proceeds from this offering.
Risk factors	See "Risk factors" on page 12 and the other information in this prospectus for a discussion of factors you should carefully consider before you decide to invest in our common stock.
Dividend policy	We anticipate that we will retain all of our available funds to repay existing indebtedness and for use in the operation and expansion of our business for the foreseeable future. Any future determination as to the payment of cash dividends on our common stock will be at the discretion of our board of directors and will depend on our financial condition, operating results, current and anticipated cash needs, plans for expansion, legal requirements and other factors that our board of directors considers to be relevant. In addition, financial and other covenants in our new credit facility and in any credit facilities, debt instruments or other agreements that we enter into in the future may restrict our ability to pay cash dividends on our common stock. See "Dividend policy".
Listing and symbol	Our common stock is listed on the New York Stock Exchange, or NYSE, under the symbol "BOOT".

Unless otherwise indicated, information in this prospectus:

- assumes the underwriters have not exercised their option to purchase additional shares in this offering; and
- gives effect to the 25-for-1 stock split of our common stock effected on October 27, 2014.

The number of shares outstanding immediately after this offering, in each place referred to in this prospectus, is based on 25,709,194 shares of common stock outstanding as of February 6, 2015 and excludes:

- 224,650 shares of our common stock issuable upon the exercise of options outstanding under our 2014 Equity Incentive Plan at a weighted average exercise price of $17.47;
- 2,720,250 shares of our common stock issuable upon the exercise of options outstanding under our 2011 Equity Incentive Plan at a weighted average exercise price of $6.41;
- 32,250 shares of our common stock issuable upon the exercise of options outstanding under our 2007 Stock Incentive Plan at a weighted average exercise price of $0.00;
- an additional 1,345,506 shares of our common stock currently reserved for future issuance under our 2014 Equity Incentive Plan, see "Executive and director compensation"; and
- an additional 1,029,750 shares of our common stock reserved for future issuance under our 2011 Equity Incentive Plan, see "Executive and director compensation".

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Summary consolidated financial and other data

The following tables summarize our consolidated financial and other data as of and for the periods indicated. We have derived the summary consolidated statement of operations data for the years ended March 29, 2014 and March 30, 2013, the Successor Period and the Predecessor Period and the consolidated balance sheet data as of March 29, 2014 and March 30, 2013 from the audited consolidated financial statements included elsewhere in this prospectus. The summary consolidated statements of operations data for the thirty-nine weeks ended December 27, 2014 and December 28, 2013 and the consolidated balance sheet data as of December 27, 2014 have been derived from our unaudited interim condensed consolidated financial statements included elsewhere in this prospectus. The unaudited interim condensed consolidated financial statements were prepared on the same basis as our audited consolidated financial statements. In our opinion, such financial statements reflect all adjustments that are of a normal and recurring nature necessary to fairly present our financial position and results of operations in all material respects as of the dates and for the periods presented. The results of operations presented in the unaudited interim condensed consolidated financial statements are not necessarily indicative of the results that may be expected for a full fiscal year or in any future period.

The consolidated statement of operations data and consolidated balance sheet data include the financial position, results of operations and cash flows of RCC and Baskins since their respective dates of acquisition in August 2012 and May 2013.

You should read the following summary consolidated financial and other data together with the sections of this prospectus titled "Use of proceeds", "Capitalization", "Selected consolidated financial data" and "Management's discussion and analysis of financial condition and results of operations" and the consolidated financial statements, condensed consolidated financial statements and related notes included elsewhere in this prospectus.

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(in thousands, except per share data)	Fiscal year ended(1) March 29, 2014	March 30, 2013	Period(1) (Successor) December 12, 2011 to March 31, 2012	(Predecessor) April 3, 2011 to December 11, 2011	Thirty-nine weeks ended December 27, 2014	December 28, 2013
Consolidated statement of operations data:						
Net sales	$ 345,868	$ 233,203	$ 58,267	$ 110,429	$ 299,404	$ 257,382
Cost of goods sold	231,796	151,357	37,313	72,129	198,605	170,827
Amortization of inventory fair value adjustment	867	9,199	9,369			867
Total cost of goods sold	232,663	160,556	46,682	72,129	198,605	171,694
Gross profit	113,205	72,647	11,585	38,300	100,799	85,688
Operating expenses:						
Selling, general and administrative expenses	91,998	62,609	12,769	28,145	73,167	69,310
Acquisition-related expenses(2)	671	1,138	3,027	7,336		671
Total operating expenses	92,669	63,747	15,796	35,481	73,167	69,981
Income (loss) from operations	20,536	8,900	(4,211)	2,819	27,632	15,707
Interest expense, net	11,594	7,415	1,442	3,684	9,755	9,528
Other income, net	39	21	5	70	37	23
Income (loss) before income taxes	8,981	1,506	(5,648)	(795)	17,914	6,202
Income tax expense (benefit)	3,321	826	(1,047)	(135)	6,794	2,434
Net income (loss)	5,660	680	(4,601)	(660)	11,120	3,768
Net income (loss) attributed to non-controlling interest	283	34	(230)		4	189
Net income (loss) attributed to Boot Barn Holdings, Inc.	$ 5,377	$ 646	$ (4,371)	$ (660)	$ 11,116	$ 3,579
Net income (loss) per share:(3)(4)						
Basic shares	$ 0.28	$ 0.03	$ (0.23)	$ (3.82)	$ 0.46	$ 0.19
Diluted shares	$ 0.28	$ 0.03	$ (0.23)	$ (3.82)	$ 0.45	$ 0.19
Weighted average shares outstanding:(4)						
Basic shares	18,929	18,757	18,633	173	20,928	18,929

Diluted shares	19,175	18,757	18,633	173	21,599	19,273
Other financial data (unaudited):						
EBITDA(5)	$ 28,704	$ 14,509	$ (3,111)	$ 4,107	$ 34,112	$ 21,505
Adjusted EBITDA(5)	$ 40,271	$ 28,933	$ 9,785	$ 11,917	$ 37,129	$ 30,093
Capital expenditures	$ 11,400	$ 3,848	$ 698	$ 2,055	$ 9,562	$ 9,659
Selected store data (unaudited):						
Same store sales growth	6.7%	11.9%	17.5%	17.5%	7.3%	5.9%
Stores operating at end of period	152	117	86	85	166	155
Total retail store square footage, end of period (in thousands)	1,642	1,082	814	804	1,781	1,663
Average store square footage, end of period	10,801	9,251	9,466	9,456	10,729	10,729
Average net sales per store (in thousands)(6)	$ 2,162	$ 1,861	$ 644	$ 1,210	$ 1,712	$ 1,582

(in thousands)	**March 29, 2014**	**March 30, 2013**	**December 27, 2014**
Consolidated balance sheet data:			
Cash and cash equivalents	$ 1,118	$ 1,190	$ 3,598
Working capital	56,786	37,174	58,443
Total assets	291,863	224,282	317,036
Total debt	128,124	88,410	79,491
Stockholders' equity	84,575	77,624	138,078

(1) We operate on a fiscal calendar that results in a 52- or 53-week fiscal year ending on the Saturday closest to March 31. In a 52-week fiscal year, each quarter includes 13 weeks of operations; in a 53-week fiscal year, the first, second and third quarters each include 13 weeks of operations and the fourth quarter includes 14 weeks of operations. The data presented contains references to fiscal 2014, fiscal 2013, the Successor Period and the Predecessor Period, which represent our fiscal years ended March 29, 2014 and March 30, 2013, and our fiscal periods from December 12, 2011 to March 31, 2012 and from April 3, 2011 to December 11, 2011, respectively. Fiscal 2014 and fiscal 2013 were each 52-week periods, the Successor Period consisted of approximately 16 weeks and the Predecessor Period consisted of approximately 36 weeks. Same store sales growth presented for each of the Predecessor Period and the Successor Period was calculated by comparing same store sales for such period against same store sales for the corresponding period in fiscal 2011. The data includes the activities of RCC from August 2012 and Baskins from May 2013, their respective dates of acquisition.

(2) Represents costs incurred in connection with the acquisitions of RCC and Baskins, as well as the Recapitalization.

(3) Net income per share for the thirty-nine weeks ended December 27, 2014 reflects the deduction from net income, for purposes of determining the net income available to common stockholders, of the cash payment of $1.4 million made in April 2014 to holders of vested stock options. See "Management's discussion and analysis of financial condition and results of operations Liquidity and capital resources Financing activities".

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(4) The indicated data, other than data for the Predecessor Period, gives effect to the 25-for-1 stock split of our common stock effected October 27, 2014.

(5) EBITDA and Adjusted EBITDA are financial measures that are not calculated in accordance with GAAP. We define EBITDA as net income (loss) adjusted to exclude income tax expense (benefit), net interest expense and depreciation and intangible asset amortization. We define Adjusted EBITDA as EBITDA adjusted to exclude non-cash stock-based compensation, the non-cash accrual for future award redemptions, recapitalization expenses, acquisition expenses, acquisition-related integration and reorganization costs, amortization of inventory fair value adjustment, loss on disposal of assets and other unusual or non-recurring expenses. We include EBITDA and Adjusted EBITDA in this prospectus because they are important financial measures which our management, board of directors and lenders use to assess our operating performance. EBITDA and Adjusted EBITDA should not be considered in isolation or as alternatives to net income or any other measure of financial performance calculated and presented in accordance with GAAP. Given that EBITDA and Adjusted EBITDA are measures not deemed to be in accordance with GAAP and are susceptible to varying calculations, our EBITDA and Adjusted EBITDA may not be comparable to similarly titled measures of other companies, including companies in our industry, because other companies may calculate EBITDA and Adjusted EBITDA in a different manner than we calculate these measures. See "Non-GAAP financial measures" at the beginning of this prospectus. The following table presents a reconciliation of EBITDA and Adjusted EBITDA to our net income, the most directly comparable financial measure calculated and presented in accordance with GAAP, for each of the periods indicated:

	Fiscal year ended(1)		**Period(1)**		**Thirty-nine weeks ended**	
(in thousands)	**March 29, 2014**	**March 30, 2013**	**(Successor) December 12, 2011 to March 31, 2012**	**(Predecessor) April 3, 2011 to December 11, 2011**	**December 27, 2014**	**December 28, 2013**
EBITDA reconciliation:						
Net income (loss)	$ 5,660	$ 680	$ (4,601)	$ (660)	$ 11,120	$ 3,768
Income tax expense (benefit)	3,321	826	(1,047)	(135)	6,794	2,434
Interest expense, net	11,594	7,415	1,442	3,684	9,755	9,528
Depreciation and intangible asset amortization	8,129	5,588	1,095	1,218	6,443	5,775
EBITDA	28,704	14,509	(3,111)	4,107	34,112	21,505
Non-cash stock-based compensation(a)	1,291	787	99		1,459	889
Non-cash accrual for future award redemptions(b)	591	219	384	470	581	821
Recapitalization expenses(c)			3,027	7,336		
Acquisition expenses(d)	671	1,138				671
	6,167	2,061				4,536

Acquisition-related integration and reorganization costs(e)						
Amortization of inventory fair value adjustment(f)	867	9,199	9,369			867
Loss on disposal of assets(g)	1,980	322	17	4	113	804
Other unusual or non-recurring expenses(h)		698			864	
Adjusted EBITDA	$ 40,271	$ 28,933	$ 9,785	$ 11,917	$ 37,129	$ 30,093

(a) Represents non-cash compensation expenses related to stock options and restricted stock awards granted to certain of our employees and directors.

(b) Represents non-cash accrual for future award redemptions in connection with our customer loyalty program.

(c) Represents non-capitalized costs associated with the Recapitalization.

(d) Represents direct costs and fees related to the acquisitions of RCC and Baskins, which we acquired in August 2012 and May 2013, respectively.

(e) Represents certain store integration, remerchandising and corporate consolidation costs incurred in connection with the integrations of RCC and Baskins, which we acquired in August 2012 and May 2013, respectively.

(f) Represents the amortization of purchase-accounting adjustments that increased the value of inventory acquired to its fair value.

(g) Represents loss on disposal of assets in connection with the rebranding of RCC and Baskins acquired stores and store closures, as well as other costs.

(h) Represents professional fees and expenses incurred in connection with other acquisition activity.

(6) Average net sales per store is calculated by dividing net sales for the applicable period by the number of stores operating at the end of the period. For the purpose of calculating net sales per store, e-commerce sales and certain other revenues are excluded from net sales.

Risk factors

Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this prospectus, including our consolidated financial statements, condensed consolidated financial statements and related notes included elsewhere in this prospectus, before deciding whether to purchase shares of our common stock. If any of the following risks are realized, our business, operating results and prospects could be materially and adversely affected. In that event, the price of our common stock could decline, and you could lose part or all of your investment.

Risks related to our business

Our sales could be severely impacted by declines in consumer confidence and decreases in consumer spending or by changes in consumer preferences.

We depend upon consumers feeling confident about spending discretionary income on our products to drive our sales. Consumer spending may be adversely impacted by economic conditions, such as consumer confidence in future economic conditions, interest and tax rates, employment levels, salary and wage levels, general business conditions, the availability of consumer credit and the level of housing, energy and food costs. These risks may be exacerbated for retailers like us who focus on specialty footwear, apparel and accessories. Our financial performance is particularly susceptible to economic and other conditions in California and other western states where we have a significant number of stores. Our financial performance may also be susceptible to economic and other conditions relating to output and employment in the oil and gas industries, the construction sector, domestic manufacturing and the transportation and warehouse sectors because we believe that growth in these industries and sectors have driven the growth of our work wear business. In addition, our financial performance may be negatively affected if the popularity of the western and country lifestyle subsides, or if there is a general trend in consumer preferences away from boots and other western or country products in favor of another general category of footwear or attire. If this were to occur or if periods of decreased consumer spending persist, our sales could decrease, which could have a material adverse effect on our financial condition and results of operations.

Our continued growth depends upon successfully opening a significant number of new stores as well as integrating any acquired stores, and our failure to successfully open new stores or integrate acquired stores could negatively affect our business and stock price.

We have grown our store count rapidly in recent years, both organically and through strategic acquisitions of competing chains. However, we must continue to open and operate new stores to help maintain our revenue and profit growth. Our ability to successfully open and operate new stores is subject to a variety of risks and uncertainties, such as:

- identifying suitable store locations, the availability of which is beyond our control;
- obtaining acceptable lease terms;
- sourcing sufficient levels of inventory;
- selecting the appropriate merchandise to appeal to our customers;
- hiring, training and retaining store employees;
- assimilating new store employees into our corporate culture;
- marketing the new stores' locations and product offerings effectively;
- avoiding construction delays and cost overruns in connection with the build out of new stores;

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- avoiding other costs in opening new stores, such as rebranding acquired locations and environmental liabilities;
- managing and expanding our infrastructure to accommodate growth; and
- integrating the new stores with our existing buying, distribution and other support operations.

Our failure to successfully address these challenges could have a material adverse effect on our financial condition and results of operations. We opened 14 stores during the 39 weeks ended December 27, 2014, nine stores in fiscal 2014 and four stores in fiscal 2013. As of February 6, 2015, we plan to open at least 4 new stores during the remainder of fiscal 2015. However, there can be no assurance that we will open the planned number of new stores in fiscal 2015 or thereafter, or that any such stores will be profitable. This expansion will place increased demands on our operational, managerial and administrative resources. These increased demands could cause us to operate our existing business less effectively, which in turn could cause the financial performance of our existing stores to deteriorate. In addition, we currently plan to open some new stores within existing markets. Some of these new stores may open close enough to our existing stores that a segment of customers will stop shopping at our existing stores and instead shop at the new stores, causing sales and profitability at those existing stores to decline. If this were to occur with a number of our stores, this could have a material adverse effect on our financial condition and results of operations.

In addition to opening new stores, we may acquire stores. Acquiring and integrating stores involves additional risks that could adversely affect our growth and results of operation. Newly acquired stores may be unprofitable and we may incur significant costs and expenses in connection with any acquisition including in remerchandising and rebranding the acquired stores. Integrating newly acquired stores may divert our senior management's attention from our core business. Our ability to integrate newly acquired stores will depend on the successful expansion of our existing financial controls, distribution model, information systems, management and human resources and on attracting, training and retaining qualified employees.

Our business largely depends on a strong brand image, and if we are unable to maintain and enhance our brand image, particularly in new markets where we have limited brand recognition, we may be unable to increase or maintain our level of sales.

We believe that our brand image and brand awareness has contributed significantly to the success of our business. We also believe that maintaining and enhancing our brand image, particularly in new markets where we have limited brand recognition, is important to maintaining and expanding our customer base. Our ability to successfully integrate new stores into their surrounding communities, to expand into new markets or to maintain the strength and distinctiveness of our brand image in our existing markets will be adversely impacted if we fail to connect with our target customers. Maintaining and enhancing our brand image may require us to make substantial investments in areas such as merchandising, marketing, store operations, community relations, store graphics and employee training, which could adversely affect our cash flow and which may ultimately be unsuccessful. Furthermore, our brand image could be jeopardized if we fail to maintain high standards for merchandise quality, if we fail to comply with local laws and regulations or if we experience negative publicity or other negative events that affect our image and reputation. Some of these risks may be beyond our ability to control, such as the effects of negative publicity regarding our suppliers. Failure to successfully market and maintain our brand image in new and existing markets could harm our business, results of operations and financial condition.

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Our failure to adapt to new challenges that arise when expanding into new geographic markets could adversely affect our ability to profitably operate those stores and maintain our brand image.

Our expansion into new geographic markets could result in competitive, merchandising, distribution and other challenges that are different from those we encounter in the geographic markets in which we currently operate. In addition, as the number of our stores increases, we may face risks associated with market saturation of our product offerings and locations. Our suppliers may also restrict their sales to us in new markets to the extent they are already saturating that market with their products through other retailers or their own stores. There can be no assurance that any newly opened stores will be received as well as, or achieve net sales or profitability levels comparable to those of, our existing stores in the time periods estimated by us, or at all. If our stores fail to achieve, or are unable to sustain, acceptable net sales and profitability levels, our business may be materially harmed, we may incur significant costs associated with closing those stores and our brand image may be negatively impacted.

We face intense competition in our industry and we may be unable to compete effectively.

The retail industry for western and work wear is highly fragmented and characterized by primarily regional competitors. We estimate that there are thousands of independent specialty stores scattered across the country. We believe that we compete primarily with smaller regional chains and independents on the basis of product quality, brand recognition, price, customer service and the ability to identify and satisfy consumer demand. However, we also compete with farm supply stores, online retailers and, to a lesser degree, mass merchants. Competition with some or all of these retailers could require us to lower our prices or risk losing customers. In addition, significant or unusual promotional activities by our competitors may force us to respond in-kind and adversely impact our operating cash flow. As a result of these factors, current and future competition could have a material adverse effect on our financial condition and results of operations.

Many of the mass merchants that sell some western or work wear products have greater financial, marketing and other resources than we currently do, and therefore may be able to devote greater resources to the marketing and sale of these products, generate national brand recognition or adopt more aggressive pricing policies than we can, which would put us at a competitive disadvantage if they decide to expand their offerings of these product lines. Moreover, we do not possess exclusive rights to many of the elements that comprise our in-store experience and product offerings. Our competitors may seek to emulate facets of our business strategy and in-store experience, which could result in a reduction of some competitive advantages or special appeal that we might possess. In addition, most of our suppliers sell products to us on a non-exclusive basis. As a result, our current and future competitors may be able to duplicate or improve on some or all of the product offerings that we believe are important in differentiating our stores and our customers' shopping experience. If our competitors were to duplicate or improve on some or all of our in-store experience or product offerings, our competitive position and our business could suffer.

We depend on cash generated from our existing store operations to support our growth, which could strain our cash flow.

We primarily rely on cash flow generated from existing stores to fund our current operations and our growth. It typically takes several months and a significant amount of cash to open a new store. For example, our new store model requires an average net cash investment of approximately $0.7 million. If we continue to open a large number of stores relatively close in time, the cost of these store openings and the cost of continuing operations could reduce our cash position. An increase in our net cash outflow for new stores could adversely affect our operations by reducing the amount of cash available to address other aspects of our business.

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In addition, as we expand our business, we will need significant amounts of cash from operations to pay our existing and future lease obligations, build out new store space, purchase inventory, pay personnel, pay for the increased costs associated with operating as a public company and, if necessary, further invest in our infrastructure and facilities. If our business does not generate sufficient cash flow from operations to fund these activities, and sufficient funds are not otherwise available from our new credit facility or future credit facilities, we may need additional equity or debt financing. If such financing is not available to us on satisfactory terms, our ability to operate and expand our business or to respond to competitive pressures would be limited and we could be required to delay, curtail or eliminate planned store openings. Moreover, if we raise additional capital by issuing equity securities or securities convertible into equity securities, your ownership may be diluted. Any debt financing we may incur may impose covenants that restrict our operations, and will require interest payments that would create additional cash demands and financial risk for us.

We have expanded rapidly in recent years and have limited operating experience at our current size.

We have significantly expanded our operations in the last three years, increasing our locations from 85 stores in eight states as of March 31, 2012 to 165 stores in 26 states as of February 6, 2015. If our operations continue to grow, we will be required to expand our sales, marketing and support services and our administrative personnel, and we may decide to change our distribution model. This expansion could increase the strain on our existing resources, causing operational difficulties such as difficulties in hiring, obtaining adequate levels of merchandise, delayed shipments and decreased levels of customer service. These difficulties could cause our brand image to deteriorate and lead to a decrease in our revenues and income and the price of our common stock.

Any significant change in our distribution model could initially have an adverse impact on our cash flows and results of operations.

During fiscal 2014, our suppliers shipped approximately 94% of our in-store merchandise units directly to our stores and approximately 46% of our e-commerce merchandise units directly to our e-commerce customers. In the future, as part of our long-term strategic planning, we may change our distribution model to increase the amount of merchandise that we self-distribute through a centralized distribution center. We recently hired a leading supply chain consulting firm to study our current network, supplier structure and likely sources of growth and to recommend an optimal distribution model for our future operations. Changing our distribution model to increase distributions from a centralized distribution center to our stores and customers would initially involve significant capital expenditures, which would increase our borrowings and interest expense or temporarily reduce the rate at which we open new stores. In addition, if we are unable to successfully integrate a new distribution model into our operations in a timely manner, our supply chain could experience significant disruptions, which could reduce our sales and adversely impact our results of operations.

If we fail to maintain good relationships with our suppliers or if our suppliers are unable or unwilling to provide us with sufficient quantities of merchandise at acceptable prices, our business and operations may be adversely affected.

Our business is largely dependent on continued good relationships with our suppliers, including suppliers for our third-party branded products and manufacturers for our private brand products. During fiscal 2014, merchandise purchased from our top three suppliers accounted for approximately 18%, 12% and 10% of our sales. We operate on a purchase order basis for our private brand and third-party branded merchandise and do not have long-term written agreements with our suppliers. Accordingly, our suppliers can refuse to sell us merchandise, limit the type or quantity of merchandise that they sell to us, enter into exclusivity arrangements with our competitors or raise prices at any time, which could have an adverse

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impact on our business. Deterioration in our relationships with our suppliers could have a material adverse impact on our business, and there can be no assurance that we will be able to acquire desired merchandise in sufficient quantities on terms acceptable to us in the future. Also, some of our suppliers sell products directly from their own retail stores or e-commerce websites, and therefore directly compete with us. These suppliers may decide at some point in the future to discontinue supplying their merchandise to us, supply us less desirable merchandise or raise prices on the products they do sell us. If we lose key suppliers and are unable to find alternative suppliers to provide us with substitute merchandise for lost products, our business may be adversely affected.

Our plans to improve and expand our exclusive product offerings may be unsuccessful, and implementing these plans may divert our operational, managerial, financial and administrative resources, which could harm our competitive position and reduce our revenue and profitability.

In addition to our store expansion strategy, we currently plan to grow our business by improving and expanding our exclusive product offerings, which includes introducing new brands and growing and expanding our existing brands. The principal risks to our ability to successfully carry out our plans to improve and expand our product offering are that:

- introduction of new products may be delayed, which may allow our competitors to introduce similar products in a more timely fashion, which could hinder our ability to be viewed as the exclusive provider of certain western and work apparel brands and items;

- the third-party suppliers of our exclusive product offerings may not maintain adequate controls with respect to product specifications and quality, which may lead to costly corrective action and damage to our brand image;

- if our expanded exclusive product offerings fail to maintain and enhance our distinctive brand identity, our brand image may be diminished and our sales may decrease; and

- implementation of these plans may divert our management's attention from other aspects of our business and place a strain on our operational, managerial, financial and administrative resources, as well as our information systems.

In addition, our ability to successfully improve and expand our exclusive product offerings may be affected by economic and competitive conditions, changes in consumer spending patterns and changes in consumer preferences. These plans could be abandoned, cost more than anticipated and divert resources from other areas of our business, any of which could impact our competitive position and reduce our revenue and profitability.

Any inability to balance our private brand merchandise with the third-party branded merchandise that we sell may have an adverse effect on our net sales and gross margin.

Our private brand merchandise represented approximately seven percent of our net sales in fiscal 2014. Our private brand merchandise generally has a higher gross margin than the third-party branded merchandise that we offer. As a result, we intend to attempt to increase the penetration of our private brands in the future. However, carrying our private brands limits the amount of third-party branded merchandise we can carry and, therefore, there is a risk that our customers' perception that we offer many major brands will decline or that our suppliers of third-party branded merchandise may decide to discontinue supplying, or reduce the supply of, their merchandise. If this occurs, it could have a material adverse effect on net sales and profitability.

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We purchase merchandise based on sales projections and our purchase of too much or too little inventory may adversely affect our overall profitability.

We must actively manage our purchase of inventory. We generally order our seasonal and private brand merchandise several months in advance of it being received and offered for sale. If there is a significant decrease in demand for these products or if we fail to accurately predict consumer demand, including by disproportionately increasing the penetration of our private brand merchandise, we may be forced to rely on markdowns or promotional sales to dispose of excess inventory. This could have an adverse effect on our margins and operating income. Conversely, if we fail to purchase a sufficient quantity of merchandise, we may not have an adequate supply of products to meet consumer demand, thereby causing us to lose sales or adversely affecting our customer relationships. Any failure on our part to anticipate, identify and respond effectively to changing consumer demand and consumer shopping preferences could adversely affect our results of operations.

A rise in the cost of fabrics and raw materials or the cost of labor and transportation could increase our cost of merchandise and cause our results of operations and margins to decline.

Fluctuations in the price, availability and quality of fabrics and raw materials, such as cotton and leather, that our suppliers use to manufacture our products, as well as the cost of labor and transportation, could have adverse impacts on our cost of merchandise and our ability to meet our customers' demands. In particular, because key components of our products are cotton and leather, any increases in the cost of cotton or leather may significantly affect the cost of our products and could have an adverse impact on our cost of merchandise. We may be unable to pass all or any of these higher costs on to our customers, which could have a material adverse effect on our profitability.

Most of our merchandise is produced in foreign countries, making the price and availability of our merchandise susceptible to international trade risks and other international conditions.

Many of our private brand products are manufactured in foreign countries. In addition, we purchase most of our third-party branded merchandise from domestic suppliers that have a majority of their merchandise made in foreign countries. Some foreign countries can be, and have been, affected by political and economic instability, public health emergencies and natural disasters, negatively impacting trade. The countries in which our merchandise currently is manufactured or may be manufactured in the future could become subject to trade restrictions imposed by the U.S. or other foreign governments. Trade restrictions, including increased tariffs or quotas, embargoes and customs restrictions, against apparel items, as well as U.S. or foreign labor strikes, work stoppages or boycotts, could increase the cost or reduce the supply of apparel available to us and have a material adverse effect on our business, financial condition and results of operations. In addition, our merchandise supply could be impacted if our suppliers' imports become subject to existing or future duties and quotas, or if our suppliers face increased competition from other companies for production facilities, import quota capacity or shipping capacity. Any increase in the cost of our merchandise or limitation on the amount of merchandise we are able to purchase could have a material adverse effect on our financial condition and results of operations.

In addition, there is a risk that our suppliers could fail to comply with applicable regulations, which could lead to investigations by U.S. or foreign government agencies responsible for international trade compliance. Resulting penalties or enforcement actions could delay future imports or exports or otherwise negatively affect our business.

If our suppliers and manufacturers fail to use acceptable labor or other practices, our reputation may be harmed, which could negatively impact our business.

We purchase merchandise from independent third-party suppliers and manufacturers. If any of these suppliers have practices that are not legal or accepted in the U.S., consumers may develop a negative view of us, our brand image could be damaged and we could become the subject of boycotts by our customers or interest groups. Further, if the suppliers violate labor or other laws of their own country, these violations could cause disruptions or delays in their shipments of merchandise. For example, much of our merchandise is manufactured in China and Mexico, which have different labor practices than the U.S. We do not independently investigate whether our suppliers are operating in compliance with all applicable laws and therefore we rely upon the suppliers' representations set forth in our purchase orders and supplier agreements concerning the suppliers' compliance with such laws. If our goods are manufactured using illegal or unacceptable labor practices in these countries, or other countries from which our suppliers source the products we purchase, our ability to supply merchandise for our stores without interruption, our brand image and, consequently, our sales may be adversely affected.

If we lose key management personnel, our operations could be negatively impacted.

We depend upon the leadership and experience of our executive management team. If we are unable to retain existing management personnel who are critical to our success, it could result in harm to our supplier and employee relationships, the loss of key information, expertise or know-how and unanticipated recruitment and training costs. The loss of the services of any of our key management personnel could have a material adverse effect on our business and prospects, and could be viewed negatively by investors and analysts, which could cause the price of our common stock to decline. We may be unable to find qualified individuals to replace key management personnel on a timely basis, without incurring increased costs or at all. We do not intend to purchase key person life insurance covering any employee. If we lose the services of any of our key management personnel or we are unable to attract additional qualified personnel, we may be unable to successfully manage our business.

If we cannot attract, train and retain qualified employees, our business could be adversely affected.

Our success depends upon the quality of the employees we hire. We recruit people who are welcoming, friendly and service-oriented, and who often live the western lifestyle or have a genuine affinity for it. Employees in many positions must have knowledge of our merchandise and the skill necessary to excel in a customer service environment. The turnover rate in the retail industry is typically high and finding qualified candidates to fill positions may be difficult. Our planned growth will require us to hire and train even more personnel. If we cannot attract, train and retain corporate employees, district managers, store managers and store associates with the qualifications we deem necessary, our ability to effectively operate and expand may be adversely affected. In addition, we rely on temporary and seasonal personnel to staff our distribution center. We cannot guarantee that we will be able to find adequate temporary or seasonal personnel to staff our operations when needed, which may strain our existing personnel and negatively impact our operations.

The concentration of our stores and operations in certain geographic locations subjects us to regional economic conditions and natural disasters that could adversely affect our business.

Our corporate headquarters and distribution center are in a single location in Irvine, California. If we encounter any disruptions to our operations at this building or if it were to shut down for any reason, including due to fire or other natural disaster, then we may be prevented from effectively operating our stores and our e-commerce business. Furthermore, the risk of disruption or shutdown at this building is greater than it might be if it were located in another region, as southern California is prone to natural

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disasters such as earthquakes and wildfires. Any disruption or shutdown at this location could significantly impact our operations and have a material adverse effect on our financial condition and results of operations.

In addition, most of the 165 stores that we operated as of February 6, 2015 were concentrated in the western U.S., with 80 of those stores located in Arizona, California and Texas. The geographic concentration of our stores may expose us to economic downturns in those states where our stores are located. For example, a recession in any area where we own several stores could adversely affect our ability to generate or increase operating revenues. In addition, our stores located in North Dakota and surrounding areas are likely to be adversely impacted by the recent economic downturn affecting the oil and gas industry. Any negative impact upon or disruption to the operations of stores in these states could have a material adverse effect on our financial condition and results of operations.

We are required to make significant lease payments for our stores, corporate headquarters and distribution center, which may strain our cash flow.

We do not own any real estate. Instead, we lease all of our retail store locations as well as our corporate headquarters and distribution center. The store leases generally have a base lease term of five or 10 years, with multiple renewal periods of five years, on average, exercisable at our option. Many of our leases have early cancelation clauses which permit us to terminate the lease if certain sales thresholds are not met in certain periods of time. Our costs under these leases are a significant amount of our expenses and are growing rapidly as we expand the number of locations and the cost of leasing existing locations rises. In fiscal 2014, our total operating lease expense was $25.0 million, and we expect this amount to continue to increase as we open more stores. We are required to pay additional rent under many of our lease agreements based upon achieving certain sales thresholds for each store location. We are generally responsible for the payment of property taxes and insurance, utilities and common area maintenance fees. Many of our lease agreements also contain provisions which increase the rent payments on a set time schedule, causing the cash rent paid for a location to escalate over the term of the lease. In addition, rent costs could escalate when multi-year leases are renewed at the expiration of their lease term. These costs are significant, recurring and increasing, which places a consistent strain on our cash flow.

We depend on cash flows from operations to pay our lease expenses and to fulfill our other cash needs. If our business does not generate sufficient cash flows from operating activities, and sufficient funds are not otherwise available to us from borrowings under our new credit facility, future credit facilities or from other sources, we may be unable to service our operating lease expenses, grow our business, respond to competitive challenges or to fund our other liquidity and capital needs, which would harm our business.

Additional sites that we lease are likely to be subject to similar long-term leases. If an existing or future store is not profitable, and we decide to close it, we may nonetheless be committed to perform our obligations under the applicable lease including, among other things, paying the base rent for the balance of the lease term. We may fail to identify suitable store locations, the availability of which is beyond our control, to replace such closed stores. In addition, as our leases expire, we may fail to negotiate renewals, either on commercially acceptable terms or at all, which could cause us to close stores in desirable locations. As of February 6, 2015, 1 and 17 of our 165 store leases will reach their termination date during the remainder of fiscal 2015 and fiscal 2016, respectively, and none of these leases contain an option to automatically extend the lease term. If we are unable to enter into new leases or renew existing leases on terms acceptable to us or be released from our obligations under leases for stores that we close, our business, profitability and results of operations may be harmed.

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We may be unable to maintain same store sales or net sales per square foot, which may cause our results of operations to decline.

The investing public may use same store sales or net sales per square foot projections or results, over a certain period of time, such as on a quarterly or yearly basis, as an indicator of our profitability growth. See "Same store sales". Our same store sales can vary significantly from period to period for a variety of reasons, such as the age of stores, changing economic factors, unseasonable weather, pricing, the timing of the release of new merchandise and promotional events and increased competition. These factors could cause same store sales or net sales per square foot to decline period to period or fail to grow at expected rates, which could adversely affect our results of operations and cause the price of our common stock to be volatile during such periods.

If our management information systems fail to operate or are unable to support our growth, our operations could be disrupted.

We rely upon our management information systems in almost every aspect of our daily business operations. For example, our management information systems serve an integral part in enabling us to order merchandise, process merchandise at our distribution center and retail stores, perform and track sales transactions, manage personnel, pay suppliers and employees, operate our e-commerce business and report financial and accounting information to management. In addition, we rely on our management information systems to enable us to leverage our costs as we grow. If our management information systems fail to operate or are unable to support our growth, our store operations and e-commerce business could be severely disrupted, and we could be required to make significant additional expenditures to remediate any such failure.

We rely on UPS and the United States Postal Service to deliver our e-commerce merchandise to our customers and our business could be negatively impacted by disruptions in the operations of these third-party service providers.

We rely on UPS and the United States Postal Service to deliver our e-commerce merchandise to our customers. Relying on these third-party delivery services puts us at risk from disruptions in their operations, such as employee strikes, inclement weather and their inability to meet our shipping demands. If we are forced to use other delivery services, our costs could increase and we may be unable to meet shipment deadlines. Moreover, we may be unable to obtain terms as favorable as those received from the transportation providers we currently use, which would further increase our costs. In addition, if our products are not delivered to our customers on time, our customers may cancel their orders or we may lose business from these customers in the future. These circumstances may negatively impact our financial condition and results of operations.

Use of social media may adversely impact our reputation or subject us to fines or other penalties.

There has been a substantial increase in the use of social media platforms, including blogs, social media websites and other forms of Internet-based communication, which allow individuals access to a broad audience of consumers and other interested persons. Negative commentary regarding us or the brands that we sell may be posted on social media platforms or similar devices at any time and may harm our reputation or business. Consumers value readily available information concerning retailers and their goods and services and often act on such information without further investigation and without regard to its accuracy. The harm may be immediate without affording us an opportunity for redress or correction. In addition, social media platforms provide users with access to such a broad audience that collective action against our stores, such as boycotts, can be more easily organized. If such actions were organized, we could suffer reputational damage as well as physical damage to our stores and merchandise.

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We also use social medial platforms as marketing tools. For example, we maintain Facebook, Instagram and Twitter accounts. As laws and regulations rapidly evolve to govern the use of these platforms and devices, the failure by us, our employees or third parties acting at our direction to abide by applicable laws and regulations in the use of these platforms and devices could adversely impact our business, financial condition and results of operations or subject us to fines or other penalties.

Our e-commerce business subjects us to numerous risks that could have an adverse effect on our results of operations.

Our e-commerce business and its continued growth subject us to certain risks that could have an adverse effect on our results of operations, including:

- diversion of traffic from our stores;
- liability for online content;
- government regulation of the Internet; and
- risks related to the computer systems that operate our e-commerce website and related support systems, including computer viruses, electronic data theft and similar disruptions.

In addition, as we expand our e-commerce operations, we face the risk of increased losses from credit card fraud. We do not carry insurance against the risk of credit card fraud, so under current credit card practices, we may be liable for fraudulent credit card transactions even though the associated financial institution has approved payment of the orders. If we are unable to deter or control credit card fraud, or if credit card companies require more burdensome terms or refuse to accept credit card charges from us, our net income could be reduced.

A breach of our e-commerce security measures could also reduce demand for our services.

Our sales can significantly fluctuate based upon shopping seasons, which may cause our operating results to fluctuate disproportionately on a quarterly basis.

Because of a traditionally higher level of sales during the Christmas shopping season, our sales are typically higher in the third fiscal quarter than they are in the other fiscal quarters. We also incur significant additional costs and expenses during our third fiscal quarter due to increased staffing levels and higher purchase volumes. Accordingly, the results of a single fiscal quarter should not be relied on as an indication of our annual results or future performance. In addition, any factors that harm our third fiscal quarter operating results could have a disproportionate effect on our results of operations for the entire fiscal year.

We buy and stock merchandise based upon seasonal weather patterns and therefore unseasonable or extreme weather could negatively impact our sales, financial condition and results of operations.

We buy and stock merchandise for sale based upon expected seasonal weather patterns. If we encounter unseasonable weather, such as warmer winters or cooler summers than would be considered typical, these weather variations could cause some of our merchandise to be inconsistent with what consumers wish to purchase, causing our sales to decline. In addition, weather conditions affect the demand for our products, which in turn has an impact on prices. In past years, weather conditions, including unseasonably warm weather in winter months, and extreme weather conditions, including snow and ice storms, flood and wind damage, hurricanes, tornadoes, extreme rain and droughts, have affected our sales and results of operations both positively and negatively. Furthermore, extended unseasonable weather conditions in the

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western U.S., particularly in California, will likely have a greater impact on our sales because of our store concentration in that region. Our strategy is to remain flexible and to react to unseasonable and extreme weather conditions by adjusting our merchandise assortments and redirecting inventories to stores affected by the weather conditions. Should such a strategy not be effective, unseasonable or extreme weather may have a material adverse effect on our financial condition and results of operations.

If we fail to obtain and retain high-visibility sponsorship or endorsement arrangements with celebrities, or if the reputation of any of the celebrities that we partner with is impaired, our business may suffer.

A principal component of our marketing program is to partner with well-known country music artists and other celebrities for sponsorship and endorsement arrangements. Although we have partnered with several well-known celebrities in this manner, some of these persons may not continue their endorsements, may not continue to succeed in their fields or may engage in activities which could bring disrepute on themselves and, in turn, on us and our brand image and products. We also may not be able to attract and partner with new celebrities that may emerge in the future. Competition for endorsers is significant and adverse publicity regarding us or our industry could make it more difficult to attract and retain endorsers. Any of these failures by us or the celebrities that we partner with could adversely affect our business and revenues.

Our internal operations or management information systems could be disrupted by system security failures or by the failure of, or lack of access to, our Enterprise Resource Planning system. These disruptions could negatively impact our sales, increase our expenses, harm our reputation and cause the price of our common stock to decline.

Hackers, computer programmers and internal users may be able to penetrate our network security and create system disruptions, cause shutdowns and misappropriate our confidential information or that of our employees and third parties, including our customers. Therefore, we could incur significant expenses addressing problems created by security breaches to our network. This risk is heightened because we collect and store customer information for marketing purposes, as well as debit and credit card information. We must, and do, take precautions to secure customer information and prevent unauthorized access to our database of confidential information. However, if unauthorized parties, including external hackers or computer programmers, gain access to our database, they may be able to steal this confidential information. Our failure to secure this information could result in costly litigation, adverse publicity or regulatory action, or result in customers discontinuing the use of debit or credit cards in our stores, or customers not shopping in our stores or on our e-commerce website altogether. These consequences could have a material adverse effect on our financial condition and results of operations. In addition, sophisticated hardware and operating system software and applications that we procure from third parties may contain defects in design or manufacture that could unexpectedly interfere with our operations. The cost to alleviate security risks and defects in software and hardware and to address any problems that occur could negatively impact our sales, distribution and other critical functions, as well as our financial results.

We operate our Enterprise Resource Planning system on a software-as-a-service platform, and we use this system for integrated point-of-sale, merchandising, planning, sales audit, customer relationship management, inventory control, loss prevention, purchase order management and business intelligence. Accordingly, we depend on this system, and the third-party provider of this service, for many aspects of our operations. If this service provider or this system fails, or if we are unable to continue to have access to this system on commercially reasonable terms, or at all, our operations would be severely disrupted until an equivalent system could be identified, licensed or developed, and integrated into our operations. This disruption would have a material adverse effect on our business.

If we are unable to protect our intellectual property rights, our financial results may be negatively impacted.

Our success depends in large part on our brand image. Our name, logo, domain name and our private brands and other intellectual property are valuable assets that differentiate us from our competitors. We currently rely on a combination of copyright, trademark, trade dress and unfair competition laws to establish and protect our intellectual property rights, but the steps taken by us to protect our proprietary rights may be inadequate to prevent infringement of our trademarks and proprietary rights by others, including imitation and misappropriation of our brand. Additional obstacles may arise as we expand our product lines and geographic scope. Moreover, litigation may be necessary to protect or enforce these intellectual property rights, which could result in substantial costs and diversion of our resources, causing a material adverse effect on our business, financial condition, results of operations or cash flows. The unauthorized use or misappropriation of our intellectual property or our failure to protect our intellectual property rights could damage our brand image and the goodwill we have created, which could cause our sales to decline.

We have not registered any of our intellectual property outside of the U.S. and cannot prohibit other companies from using our trademarks in foreign countries. Use of our trademarks in foreign countries could negatively impact our identity in the U.S. and cause our sales to decline.

We may be subject to liability if we, or our suppliers, infringe upon the intellectual property rights of third parties.

We may be subject to claims that our activities or the products that we sell infringe upon the intellectual property rights of others. Any such claims can be time consuming and costly to defend, and may divert our management's attention and resources, even if the claims are meritless. If we were to be found liable for any such infringement, we could be required to enter into costly settlements or license agreements and could be subject to injunctions preventing further infringement. Such infringement claims could harm our brand image. In addition, any payments that we are required to make and any injunction with which we are required to comply as a result of such infringement actions could adversely affect our financial results.

We purchase merchandise from suppliers that may be subject to design copyrights or design patents, or otherwise may incorporate protected intellectual property. We are not involved in the manufacture of any of the merchandise we purchase from our suppliers for sale to our customers, and we do not independently investigate whether these suppliers legally hold intellectual property rights to merchandise that they are manufacturing or distributing. As a result, we rely upon the suppliers' representations set forth in our purchase orders and supplier agreements concerning their right to sell us the products that we purchase from them. If a third party claims to have licensing rights with respect to merchandise we purchased from a supplier, or if we acquire unlicensed merchandise, we could be obligated to remove such merchandise from our stores, incur costs associated with destruction of such merchandise if the distributor or supplier is unwilling or unable to reimburse us and be subject to liability under various civil and criminal causes of action, including actions to recover unpaid royalties and other damages and injunctions. Any of these results could harm our brand image and have a material adverse effect on our business and growth.

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The terms of our new credit facility may restrict our current and future operations, which could adversely affect our ability to respond to changes in our business and to manage our operations.

Our new credit facility contains, and any additional debt financing we may incur would likely contain, covenants requiring us to maintain or adhere to certain financial ratios or limits and covenants that restrict our operations, which include limitations on our ability to, among other things:

- incur additional indebtedness;
- create liens on property;
- engage in mergers, consolidations and other fundamental changes;
- dispose of assets;
- make investments, loans or advances;
- make certain acquisitions;
- engage in certain transactions with affiliates;
- declare or pay dividends on, or repurchase, our stock; and
- change our lines of business or fiscal year.

Complying with these covenants could adversely affect our ability to respond to changes in our business and manage our operations. In addition, these covenants could affect our ability to invest capital in our new stores and fund capital expenditures for existing stores. Our ability to comply with these covenants and other provisions in our new credit facility and any future credit facilities or debt instruments may be affected by changes in our operating and financial performance, changes in general business and economic conditions, adverse regulatory developments or other events beyond our control. A failure by us to comply with the financial ratios and restrictive covenants contained in our new credit facility and any future credit facilities or debt instruments could result in an event of default. Upon the occurrence of an event of default, the lenders could elect to declare all amounts outstanding to be due and payable and exercise other remedies as set forth in our new credit facility and any future credit facilities or debt instruments. In addition, if we are in default, we may be unable to borrow additional amounts under any such facilities to the extent that they would otherwise be available and our ability to obtain future financing may also be impacted negatively. If the indebtedness under our new credit facility and any future credit facilities or debt instruments were to be accelerated, it would have a material adverse effect on our future financial condition.

Litigation costs and the outcome of litigation could have a material adverse effect on our business.

Our business is characterized by a high volume of customer traffic and by transactions involving a wide variety of product selections, each of which exposes us to a higher risk of consumer litigation than companies operating in other industries. From time to time we may be subject to litigation claims through the ordinary course of our business operations regarding, but not limited to, employment matters, compliance with the Americans with Disabilities Act of 1990, footwear, apparel and accessory safety standards, security of customer and employee personal information, contractual relations with suppliers, marketing and infringement of trademarks and other intellectual property rights. Litigation to defend ourselves against claims by third parties, or to enforce any rights that we may have against third parties, may be necessary, which could result in substantial costs and diversion of our resources, causing a material adverse effect on our business, financial condition, results of operations or cash flows.

Union attempts to organize our employees could negatively affect our business.

Currently, none of our employees are represented by a union. However, if some or all of our workforce were to unionize and the terms of the collective bargaining agreement were significantly different from our current compensation arrangements, it could increase our costs and adversely impact our profitability.

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Moreover, participation in labor unions could put us at increased risk of labor strikes and disruption of our operations. Responding to unionization attempts may distract management and our workforce. Any of these changes could adversely affect our business, financial condition, results of operations or cash flows.

Violations of or changes in laws, including employment laws and laws related to our merchandise, could make conducting our business more expensive or change the way we do business.

We are subject to numerous regulations, including labor and employment, customs, truth-in-advertising, consumer protection, environmental and occupational safety requirements and zoning and occupancy laws and ordinances that regulate retailers generally, that govern the importation, promotion and sale of merchandise and/or that regulate the operation of stores and warehouse facilities. If these regulations were violated by our management, employees or suppliers, the costs of certain goods could increase, or we could experience delays in shipments of our goods, be subject to fines or penalties or suffer reputational harm, which could reduce demand for our merchandise and hurt our business and results of operations.

Similarly, changes in laws could make operating our business more expensive or require us to change the way we do business. For example, changes in laws related to employee health care, hours, wages, job classifications and benefits could significantly increase operating costs. In addition, changes in product safety or other consumer protection laws could lead to increased costs for certain merchandise, or additional labor costs associated with readying merchandise for sale. It may be difficult for us to foresee regulatory changes impacting our business and our actions needed to respond to changes in the law could be costly and may negatively impact our operations.

Health care reform could adversely affect our business.

The enacted Patient Protection and Affordable Care Act, as well as other health care reform legislation considered by Congress and state legislatures, could significantly impact our health care cost structure and increase our health care-related expenses. We expect that we will be required to modify our programs and operations in future fiscal years as a result of health care reform legislation. If we cannot effectively modify our programs and operations in response to the new legislation, our results of operations, financial condition and cash flows may be adversely impacted.

We may engage in strategic transactions that could negatively impact our liquidity, increase our expenses and present significant distractions to our management.

We have made strategic acquisitions in the past and may in the future consider strategic transactions and business arrangements, including, but not limited to, acquisitions, asset purchases, partnerships, joint ventures, restructurings, divestitures and investments. The success of such a transaction is based on our ability to make accurate assumptions regarding the valuation, operations, growth potential, integration and other factors relating to the respective business. Acquisitions may result in difficulties in assimilating acquired companies and may result in the diversion of our capital and our management's attention from other business issues and opportunities. We may be unable to successfully integrate operations that we acquire, including their personnel, financial systems, distribution, operations and general operating procedures. Any such transaction may require us to incur non-recurring or other charges, may increase our near and long-term expenditures and may pose significant integration challenges or disrupt our management or business, which could harm our operations and financial results.

Terrorism or civil unrest could negatively affect our business.

Terrorist attacks, threats of terrorist attacks or civil unrest involving public areas could cause people to avoid visiting some areas where our stores are located. Further, armed conflicts or acts of war throughout

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the world may create uncertainty, causing consumers to spend less on discretionary purchases, including on footwear, apparel and accessories, or disrupt our ability to obtain merchandise for our stores. Such decreases in consumer spending or disruptions in our ability to obtain merchandise would likely decrease our sales and materially adversely affect our financial condition and results of operations.

If our goodwill becomes impaired, we may be required to record a significant charge to earnings.

We have a significant amount of goodwill. Our goodwill balance as of December 27, 2014 of $93.1 million was generated by the initial acquisition of Boot Barn Holding Corporation and the subsequent acquisitions of RCC and Baskins. We test goodwill for impairment at least annually or more frequently if indicators of impairment exist. Goodwill is considered to be impaired when the net book value of an intangible asset exceeds its estimated fair value. No impairment losses have been recorded in the consolidated financial statements included elsewhere in this prospectus and we do not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions that we use to calculate long-lived asset impairment losses. However, an impairment of a significant portion of our goodwill could materially adversely affect our financial condition and results of operations.

Risks related to this offering and ownership of our common stock

The market price and trading volume of our common stock has been and may continue to be volatile, which could result in rapid and substantial losses for our stockholders, and you may lose all or part of your investment.

The market for specialty retail stocks can be highly volatile. Prior to the initial public offering of 5,000,000 shares of our common stock, there had been no public market for our stock. Shares of our common stock were sold in our initial public offering in October 2014 at a price of $16.00 per share. From October 30, 2014 to February 20, 2015, our common stock has traded as high as $25.10 and as low as $16.88. An active, liquid and orderly market for our common stock may not be sustained, which could depress the trading price of our common stock or cause it to be highly volatile or subject to wide fluctuations. The market price of our common stock has and may continue to fluctuate or may decline significantly in the future and you could lose all or part of your investment. Some of the factors that could negatively affect our share price or result in fluctuations in the price or trading volume of our common stock include:

- variations in our quarterly or annual financial results and operating performance and the performance of our competitors;
- publication of research reports or recommendations by securities or industry analysts about us, our competitors or our industry, or a lack of such securities analyst coverage;
- our failure or our competitors' failure to meet analysts' projections or guidance;
- ratings downgrades by any securities analysts who follow our common stock;
- our levels of same store sales;
- sales or anticipated sales of large blocks of our common stock;
- changes to our management team;
- regulatory developments negatively affecting our industry;
- changes in stock market valuations of our competitors;

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the development and sustainability of an active trading market for our common stock;

the public's response to press releases or other public announcements by us or third parties, including our filings with the SEC;

the performance and successful integration of any new stores that we open or acquire;

actions by competitors;

announcements by us or our competitors of new product offerings or significant acquisitions;

short selling of our common stock by investors;

limited "public float" in the hands of a small number of persons whose sales or lack of sales of our common stock could result in positive or negative pricing pressure on the market price for our common stock;

fluctuations in the stock markets generally; and

changes in general market and economic conditions.

Further, securities class action litigation has often been initiated against companies following periods of volatility in their stock price. This type of litigation, should it materialize, could result in substantial costs and divert our management's attention and resources, and could also require us to make substantial payments to satisfy judgments or to settle litigation. The threat or filing of class action litigation could cause the price of our common stock to decline.

Freeman Spogli & Co. will continue to hold a significant amount of our common stock, which may prevent other stockholders from influencing corporate decisions and may result in conflicts of interest that cause the price of our common stock to decline.

Upon the completion of this offering, Freeman Spogli & Co. will control approximately 50.1% of the total voting power of our outstanding common stock, or 47.3% if the underwriters fully exercise their option to purchase additional shares of common stock in this offering. As a result, Freeman Spogli & Co. will be in a position to dictate, or significantly influence, the outcome of any corporate actions requiring stockholder approval, including the election of directors and mergers, acquisitions and other significant corporate transactions. Freeman Spogli & Co., acting alone or in conjunction with other stockholders, may be able to delay or prevent a change of control from occurring, even if the change of control would benefit our stockholders. It is also possible that the interests of Freeman Spogli & Co. may in some circumstances conflict with our interests and the interests of our stockholders. This ownership concentration may adversely impact the trading of our common stock because of a perceived conflict of interest that may exist, thereby depressing the value of our common stock.

Our amended and restated certificate of incorporation contains provisions renouncing our interest and expectancy in certain corporate opportunities identified by or presented to Freeman Spogli & Co.

Freeman Spogli & Co. and its affiliates are in the business of providing capital to growing companies, and they may acquire interests in businesses that directly or indirectly compete with certain portions of our business. Our amended and restated certificate of incorporation provides that Freeman Spogli & Co. and its affiliates will not have any duty to refrain from (1) engaging, directly or indirectly, in our line of business or (2) doing business with any of our customers or suppliers. In the event that Freeman Spogli & Co. or its affiliates (other than in the capacity as one of our officers or directors) acquires knowledge of a potential

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business opportunity which may be a corporate opportunity for us, then Freeman Spogli & Co. does not have any duty to communicate or offer such business opportunity to us and may take any such opportunity for itself or offer it to another person. Our amended and restated certificate of incorporation also provides that Freeman Spogli & Co. and its officers, directors and employees will not be liable to us or to any of our stockholders for breach of any fiduciary or other duty by engaging in any such activity and we will waive and renounce any claim based on such activity. This provision applies even if the business opportunity is one that we might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so. These potential conflicts of interest could have a material adverse effect on our business, financial condition, results of operations or prospects if attractive business opportunities are allocated by Freeman Spogli & Co. to itself or its other affiliates instead of to us. The terms of our amended and restated certificate of incorporation are more fully described in "Description of capital stock Corporate opportunity".

After this offering, if the underwriters do not exercise their option to purchase additional shares of common stock, we will continue to be a "controlled company" within the meaning of the NYSE rules, and, as a result, we may continue to rely on exemptions from certain corporate governance requirements. You will not have the same protection afforded to stockholders of companies that are subject to these corporate governance requirements.

As long as Freeman Spogli & Co. continues to control more than 50% of the total voting power of our common stock, we will be considered a "controlled company" under the NYSE corporate governance listing standards. As a controlled company, we are exempt from the obligation to comply with certain NYSE corporate governance requirements, including the following:

- that a majority of our board of directors consist of independent directors, as defined under the rules of the NYSE;

- that we have a corporate governance and nominating committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities;

- that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and

- that there be an annual performance evaluation of our corporate governance and nominating committee and compensation committee.

Although we generally intend to continue to comply with these listing requirements even if we continue to be a controlled company, we will continue to take advantage of some of these exemptions for a limited time following this offering and may take advantage of these or other exemptions in the future if we continue to be a controlled company. In addition, if we cease to be a controlled company upon the completion of this offering, we will rely on the NYSE transition rules applicable to a company that has ceased to be a controlled company for purposes of complying with applicable NYSE corporate governance requirements. In either case, our stockholders may not have the same protections afforded to stockholders of companies that are subject to all of the NYSE corporate governance requirements.

Future sales of our common stock by existing stockholders could cause the price of our common stock to decline.

The market price for our common stock may decline as a result of sales of a substantial number of shares of our common stock in the public market after this offering, or the perception that such sales might occur. As of February 20, 2015, we had 25,709,194 shares of common stock outstanding. Each of our executive officers and directors and the selling stockholders have agreed, subject to certain exceptions, to be bound by a lock-up agreement that prevents us and them from selling or transferring shares of our common stock during the 90-day period following this offering. However, these shares will be freely tradable, subject to the limitations of Rule 144, in the public markets after the expiration of the lock-up period, which could depress the value of our common stock. Moreover, J.P. Morgan Securities LLC, Piper Jaffray & Co. and Jefferies LLC may, in their sole discretion, release any of the shares held by our executive officers or directors or other current stockholders from the restrictions of the lock-up agreement at any time without notice, which would allow the immediate sale of these shares in the market, subject to the limitations of Rule 144. See "Underwriting".

Anti-takeover provisions in our corporate organizational documents and new credit facility and under Delaware law may delay, deter or prevent a takeover of us and the replacement or removal of our management, even if such a change of control would benefit our stockholders.

The anti-takeover provisions under Delaware law, as well as the provisions contained in our corporate organizational documents, may make an acquisition of us more difficult. For example:

- our amended and restated certificate of incorporation includes a provision authorizing our board of directors to issue blank check preferred stock without stockholder approval, which, if issued, would increase the number of outstanding shares of our capital stock and make it more difficult for a stockholder to acquire us;

- our amended and restated bylaws provide that director vacancies and newly created directorships can only be filled by an affirmative vote of a majority of directors then in office;

- our amended and restated bylaws require advance notice of stockholder proposals and director nominations;

- our amended and restated certificate of incorporation provides that our board of directors may adopt, amend, add to, modify or repeal our amended and restated bylaws without stockholder approval;

- our amended and restated bylaws do not permit our stockholders to act by written consent without a meeting unless that action is taken with regard to a matter that has been approved by our board of directors or requires the approval only of certain classes or series of our stock;

- our amended and restated certificate of incorporation contains a requirement that, to the fullest extent permitted by law, certain proceedings against or involving us or our directors, officers or employees must be brought exclusively in the Court of Chancery of the State of Delaware unless we consent in writing to an alternative forum;

- our amended and restated bylaws do not permit our stockholders to call special meetings; and

- the General Corporation Law of the State of Delaware, or the DGCL, may prevent any stockholder or group of stockholders owning at least 15% of our common stock from completing a merger or acquisition of us.

Our debt instruments also contain provisions that could have the effect of making it more difficult or less attractive for a third party to acquire control of us. Our new credit facility provides that a change of control constitutes an event of default under such credit facility and would permit the lenders to declare the indebtedness incurred thereunder to be immediately due and payable. Our future credit facilities may contain similar provisions. The need to repay all such indebtedness may deter potential third parties from acquiring us.

Under these various provisions in our amended and restated certificate of incorporation, amended and restated bylaws and new credit facility, a takeover attempt or third-party acquisition of us, including a takeover attempt that may result in a premium over the market price for shares of our common stock, could be delayed, deterred or prevented. In addition, these provisions may prevent the market price of our common stock from increasing in response to actual or rumored takeover attempts and may also prevent changes in our management. As a result, these anti-takeover and change of control provisions may limit the price that investors are willing to pay in the future for shares of our common stock.

Our failure to maintain adequate internal controls over our financial and management systems may cause errors in our financial reporting. These errors may cause a loss of investor confidence and result in a decline in the price of our common stock.

Our public company reporting obligations and our anticipated growth will likely strain our financial and management systems, internal controls and employees. In addition, pursuant to Section 404 of the Sarbanes-Oxley Act, which we refer to as Section 404, we are required to finish documenting and testing our internal controls so that our management can certify the effectiveness of our internal controls over financial reporting by the time our annual report for fiscal 2016 is due and annually thereafter.

We are currently taking the necessary steps to comply with Section 404. However, this process is time consuming and costly. If, during this process, we identify one or more material weaknesses in our internal controls, it is possible that our management may be unable to certify that our internal controls are effective by the certification deadline. We cannot be certain we will be able to successfully complete the implementation and certification requirements of Section 404 within the time period allowed.

Moreover, if we identify any material weaknesses or deficiencies that aggregate to a material weakness in our internal controls, we will have to implement appropriate changes to these controls, which may require specific compliance training for our directors, officers and employees, require the hiring of additional finance, accounting, legal and other personnel, entail substantial costs to modify our existing accounting systems and take a significant period of time to complete. Such changes may not, however, be effective in maintaining the adequacy of our internal controls, and any failure to maintain that adequacy, or consequent inability to produce accurate financial statements on a timely basis, could increase our operating costs and could materially impair our ability to operate our business. Effective internal controls are necessary for us to produce reliable financial reports and are important to prevent fraud. As a result, our failure to satisfy the requirements of Section 404 on a timely basis could result in us being subject to regulatory action and a loss of investor confidence in the reliability of our financial statements, both of which in turn could cause the market value of our common stock to decline and affect our ability to raise capital.

We will continue to incur significant expenses as a result of being a publicly traded company, which may negatively impact our earnings.

As a public company we incur and expect to continue to incur significant incremental legal, accounting, insurance and other expenses. Compliance with the Sarbanes-Oxley Act and the rules implemented by the SEC and the stock exchanges required changes to our corporate governance practices that did not apply to us before we became a public company. In addition, the reporting requirements of the Exchange Act require, among other things, that we file annual, quarterly and current reports with respect to our business and financial condition. Our compliance with these laws, rules and regulations has increased, and

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will continue to increase, our expenses, including legal and accounting costs, and has made, and will continue to make, some of our operations more costly and time consuming. In addition, it may also be more difficult for us to find and retain qualified persons to serve on our board of directors or as executive officers. Further, any additional expenses in legal, accounting, insurance and other related expenses could reduce our earnings and have a material adverse effect on our financial condition and results of operations.

If securities or industry analysts do not publish research and reports or publish inaccurate or unfavorable research and reports about our business, the price and trading volume of our common stock could decline.

The trading market for our common stock is influenced by the research and reports that securities or industry analysts publish about us or our business. If securities or industry analyst coverage of one or more of the analysts who covers us downgrades our common stock or publishes inaccurate or unfavorable research about our business, the price of our common stock would likely decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, demand for our common stock could decrease, which could cause the price of our common stock and trading volume to decline.

We do not currently intend to pay cash dividends on our common stock, which may make our common stock less desirable to investors and decrease its value.

We intend to retain all of our available funds for use in the operation and expansion of our business and do not anticipate paying any cash dividends on our common stock for the foreseeable future. Any future determination to pay cash dividends on our common stock will be at the discretion of our board of directors and will depend upon many factors, including our financial condition, results of operations and liquidity, legal requirements and restrictions that may be imposed by the terms of our new credit facility and in any future financing instruments. Therefore, you may only receive a return on your investment in our common stock if the market price increases above the price at which you purchased it, which may never occur. See "Dividend policy".

We take advantage and will continue to take advantage of the reduced disclosure requirements applicable to "emerging growth companies", which may make our common stock less attractive to investors.

The JOBS Act provides that, so long as a company qualifies as an "emerging growth company", it will, among other things:

- be permitted to report only two years of audited financial statements and to present management's discussion and analysis of financial condition and results of operations for only those two years;

- be exempt from the provisions of Section 404(b) of the Sarbanes-Oxley Act requiring that its independent registered public accounting firm provide an attestation report on the effectiveness of its internal controls over financial reporting;

- be exempt from the "say on pay" and "say on golden parachute" advisory vote requirements of the Dodd-Frank Act;

- be exempt from certain disclosure requirements of the Dodd-Frank Act relating to compensation of its executive officers and be permitted to omit the detailed compensation discussion and analysis from proxy statements and reports filed under the Exchange Act; and

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be permitted to provide a reduced level of disclosure concerning executive compensation and be exempt from any rules that may be adopted by the Public Company Accounting Oversight Board requiring mandatory audit firm rotations or a supplement to the auditor's report on the financial statements.

If we remain an emerging growth company, we may take advantage of these exemptions. We cannot predict if investors will find our common stock less attractive if we elect to rely on these exemptions, or if taking advantage of these exemptions would result in less active trading or more volatility in the price of our common stock. Also, as a result of our taking advantage of some or all of the reduced regulatory and reporting requirements that are available to us as long as we qualify as an emerging growth company, our financial statements may not be comparable to companies that fully comply with regulatory and reporting requirements upon the public company effective dates.

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Special note regarding forward-looking statements

This prospectus contains forward-looking statements that are subject to risks and uncertainties. All statements other than statements of historical or current fact included in this prospectus are forward-looking statements. Forward-looking statements refer to our current expectations and projections relating to, by way of example and without limitation, our financial condition, liquidity, profitability, results of operations, margins, plans, objectives, strategies, future performance, business and industry. 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 "anticipate", "estimate", "expect", "project", "plan", "intend", "believe", "may", "might", "will", "could", "should", "can have", "likely" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events, but not all forward-looking statements contain these identifying words. 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. We believe the risks attending any forward-looking statements include, but are not limited to, those described under "Risk factors" and include, among other things:

- declines in consumer confidence and decreases in consumer spending or changes in consumer preferences;
- our ability to successfully open a significant number of new stores and adapt to the preferences of new geographic markets in which those stores open;
- our ability to maintain and enhance a strong brand image;
- our ability to attract customers in the various retail venues and geographic markets in which our stores are currently located or in which we may open stores in the future;
- our ability to compete effectively in an environment of intense competition;
- our ability to generate adequate cash from our existing stores to support our growth;
- our ability to effectively adapt to our rapid expansion in recent years and our planned future expansion;
- our ability to successfully integrate any new distribution model into our operations;
- our dependence on third-party suppliers to provide us with sufficient quantities of merchandise at acceptable prices;
- our ability to improve and expand our exclusive product offerings;
- our ability to balance our private brand merchandise with third-party branded merchandise;
- price reductions or inventory shortages resulting from failure to purchase the appropriate amount of inventory in advance of the season in which it will be sold;
- increases in the costs of fabrics, raw materials, labor or transportation;

failure of our suppliers and their manufacturing sources to use acceptable labor or other practices;

our inability to hire or retain key executive management and other talent required for our business;

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- failure of our management information systems to support our current and growing business;
- our reliance upon third-party transportation providers for our e-commerce merchandise shipments;
- risks relating to our e-commerce website, such as diversion of traffic from our stores, liability for online content and government regulation of the Internet;
- disruptions in our internal operations or management information systems due to system security failures;
- litigation costs and the outcomes of litigation;
- the impact of changes in or violations of laws or regulations;
- our ability to manage strategic transactions that may impact our liquidity, increase our expenses and distract our management; and
- the possibility that our goodwill might become impaired.

We derive many of our forward-looking statements from our current operating budgets and forecasts, which are based upon detailed assumptions. 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. For these reasons, we caution readers not to place undue reliance on these forward-looking statements.

See "Risk factors" for a more complete discussion of the risks and uncertainties mentioned above and for a discussion of other risks and uncertainties. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. All forward-looking statements attributable to us are expressly qualified in their entirety by these cautionary statements as well as others made in this prospectus and in our other SEC filings and public communications. You should evaluate all forward-looking statements made by us in the context of these risks and uncertainties.

We caution you that the risks and uncertainties identified by us may not be all of the factors that are important to you. Furthermore, the forward-looking statements included in this prospectus are made only as of the date hereof. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments that we may make. 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.

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Use of proceeds

The selling stockholders named in this prospectus are offering 5,422,212 shares of common stock. See "Principal and selling stockholders". Accordingly, we will not receive any proceeds from the sale of shares of our common stock by the selling stockholders, including the sale of any shares by the selling stockholders if the underwriters exercise their option to purchase additional shares. We have agreed to pay the expenses of the selling stockholders related to this offering other than underwriting discounts and commissions.

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Price range of our common stock

Our common stock has been listed on the NYSE under the symbol "BOOT" since October 30, 2014. Prior to that date, there was no established public trading market for our common stock. The following table sets forth the range of high and low sales price on the NYSE of our common stock for the periods indicated, as reported by the NYSE. Such quotations represent interdealer prices without retail markdown or commission, and may not necessarily represent actual transactions.

Fiscal 2015	**Low**	**High**
Third quarter (October 30, 2014 to December 27, 2014)	$ 16.88	$ 23.12
Fourth quarter (December 28, 2014 to February 20, 2015)	$ 17.55	$ 25.10

On February 20, 2015, the closing price per share of our common stock on the NYSE was $22.37. As of February 20, 2015, there were approximately 47 holders of record of our common stock. The number of holders of record is based upon the actual number of holders registered at such date and does not include holders of shares in "street name" or persons, partnerships, associates, corporations or other entities in security position listings maintained by depositories.

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Dividend policy

On April 17, 2014, we paid a special pro rata cash dividend of approximately $39.9 million in the aggregate to record holders of the outstanding shares of our common stock as of the record date of April 14, 2014. See "Management's discussion and analysis of financial condition and results of operations Liquidity and capital resources Financing activities". However, we do not anticipate paying any cash dividends on our common stock in the foreseeable future. We anticipate that we will retain all of our available funds to repay existing indebtedness and for use in the operation and expansion of our business.

Any future determination as to the payment of cash dividends on our common stock will be at the discretion of our board of directors and will depend on our financial condition, operating results, current and anticipated cash needs, plans for expansion, legal requirements and other factors that our board of directors considers to be relevant. In addition, financial and other covenants in our new credit facility and in any credit facilities, debt instruments or other agreements that we enter into in the future may restrict our ability to pay cash dividends on our common stock. See "Management's discussion and analysis of financial condition and results of operations Liquidity and capital resources Our new credit facility". As a result, capital appreciation, if any, of our common stock will be your sole source of gain from your purchase of our common stock for the foreseeable future.

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Capitalization

The table below sets forth our cash and cash equivalents and capitalization as of December 27, 2014 (i) on an actual basis; and (ii) on an as adjusted basis to give effect to the Refinancing as described under "Prospectus summary Recent developments".

You should read the information in this table together with "Use of proceeds", "Selected consolidated financial data" and "Management's discussion and analysis of financial condition and results of operations" and our consolidated financial statements, condensed consolidated financial statements and accompanying notes appearing elsewhere in this prospectus.

				As of December 27, 2014
(in thousands)		**Actual**		**As adjusted**
		(unaudited)		**(unaudited)**
Cash and cash equivalents	$	3,598	$	3,598
Debt:				
Prior revolving credit facility		32,043		
Prior term loan facility		47,448		
New credit facility(1)				83,324(2)
Total debt		79,491		83,324
Stockholders' equity:				
Common stock, $0.0001 par value; 100,000,000 shares authorized, 25,709,194 shares issued and outstanding,		3		3
Preferred stock, $0.0001 par value; 10,000,000 shares authorized, no shares issued or outstanding				
Additional paid-in capital		126,959		126,959
Retained earnings		11,116		9,479(3)
Total stockholders' equity		138,078		136,441
Total capitalization	$	217,569	$	219,765

(1) As of February 23, 2015, $75.0 million was outstanding under the term loan portion of our new credit facility. In addition, $26.1 million was outstanding and there was $48.9 million of unused availability under the revolving portion of our new credit facility.

(2) Includes debt used to fund $1.5 million of interest accrued on the principal balance of, and $1.1 million of prepayment premiums incurred in connection with the refinancing of, our prior credit facilities, as well as $1.2 million of origination costs and other expenses incurred in connection with our new credit facility.

(3) This reduction results from a $1.4 million write off of deferred loan fees and $1.1 million of prepayment premiums incurred in connection with the refinancing of our prior credit facilities, net of tax resulting from an effective tax rate of 37.9%.

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Selected consolidated financial data

The following tables present our selected consolidated financial and other data as of and for the periods indicated. We have derived the selected consolidated statement of operations data for the years ended March 29, 2014 and March 30, 2013, the Successor Period and the Predecessor Period and the consolidated balance sheet data as of March 29, 2014 and March 30, 2013 from the audited consolidated financial statements included elsewhere in this prospectus. The selected consolidated statements of operations data for the thirty-nine weeks ended December 27, 2014 and December 28, 2013 and the consolidated balance sheet data as of December 27, 2014 have been derived from our unaudited interim condensed consolidated financial statements included elsewhere in this prospectus. The unaudited interim condensed consolidated financial statements were prepared on the same basis as our audited consolidated financial statements. In our opinion, such financial statements reflect all adjustments that are of a normal and recurring nature necessary to fairly present our financial position and results of operations in all material respects as of the dates and for the periods presented. The results of operations presented in the unaudited interim condensed consolidated financial statements are not necessarily indicative of the results that may be expected for a full fiscal year or in any future period.

The consolidated statement of operations data and consolidated balance sheet data include the financial position, results of operations and cash flows of RCC and Baskins since their respective dates of acquisition in August 2012 and May 2013.

You should read the following selected consolidated financial and other data together with the sections of this prospectus titled "Use of proceeds", "Capitalization" and "Management's discussion and analysis of financial condition and results of operations" and the consolidated financial statements, condensed consolidated financial statements and related notes included elsewhere in this prospectus.

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	Fiscal year ended(1)		Period(1)		Thirty-nine weeks ended	
			(Successor) December 12, 2011 to	(Predecessor) April 3, 2011 to		
(in thousands, except per share data)	**March 29, 2014**	**March 30, 2013**	**March 31, 2012**	**December 11, 2011**	**December 27, 2014**	**December 28, 2013**
Consolidated statement of operations data:						
Net sales	$ 345,868	$ 233,203	$ 58,267	$ 110,429	$ 299,404	$ 257,382
Cost of goods sold	231,796	151,357	37,313	72,129	198,605	170,827
Amortization of inventory fair value adjustment	867	9,199	9,369			867
Total cost of goods sold	232,663	160,556	46,682	72,129	198,605	171,694
Gross profit	113,205	72,647	11,585	38,300	100,799	85,688
Operating expenses:						
Selling, general and administrative expenses	91,998	62,609	12,769	28,145	73,167	69,310
Acquisition-related expenses(2)	671	1,138	3,027	7,336		671
Total operating expenses	92,669	63,747	15,796	35,481	73,167	69,981
Income (loss) from operations	20,536	8,900	(4,211)	2,819	27,632	15,707
Interest expense, net	11,594	7,415	1,442	3,684	9,755	9,528
Other income, net	39	21	5	70	37	23
Income (loss) before income taxes	8,981	1,506	(5,648)	(795)	17,914	6,202
Income tax expense (benefit)	3,321	826	(1,047)	(135)	6,794	2,434
Net income (loss)	5,660	680	(4,601)	(660)	11,120	3,768
Net income (loss) attributed to non-controlling interest	283	34	(230)		4	189
Net income (loss) attributed to Boot Barn Holdings, Inc.	$ 5,377	$ 646	$ (4,371)	$ (660)	$ 11,116	$ 3,579
Net income (loss) per share:(3)(4)						
Basic shares	$ 0.28	$ 0.03	$ (0.23)	$ (3.82)	$ 0.46	$ 0.19
Diluted shares	$ 0.28	$ 0.03	$ (0.23)	$ (3.82)	$ 0.45	$ 0.19
Weighted average shares outstanding:(4)						
Basic shares	18,929	18,757	18,633	173	20,928	18,929

Diluted shares	19,175	18,757	18,633	173	21,599	19,273
Other financial data (unaudited):						
EBITDA(5)	$ 28,704	$ 14,509	$ (3,111)	$ 4,107	$ 34,112	$ 21,505
Adjusted EBITDA(5)	$ 40,271	$ 28,933	$ 9,785	$ 11,917	$ 37,129	$ 30,093
Capital expenditures	$ 11,400	$ 3,848	$ 698	$ 2,055	$ 9,562	$ 9,659
Selected store data (unaudited):						
Same store sales growth	6.7%	11.9%	17.5%	17.5%	7.3%	5.9%
Stores operating at end of period	152	117	86	85	166	155
Total retail store square footage, end of period (in thousands)	1,642	1,082	814	804	1,781	1,663
Average store square footage, end of period	10,801	9,251	9,466	9,456	10,729	10,729
Average net sales per store (in thousands)(6)	$ 2,162	$ 1,861	$ 644	$ 1,210	$ 1,712	$ 1,582

(in thousands)	March 29, 2014	March 30, 2013	December 27, 2014
Consolidated balance sheet data:			
Cash and cash equivalents	$ 1,118	$ 1,190	$ 3,598
Working capital	56,786	37,174	58,443
Total assets	291,863	224,282	317,036
Total debt	128,124	88,410	79,491
Stockholders' equity	84,575	77,624	138,078

(1) We operate on a fiscal calendar that results in a 52- or 53-week fiscal year ending on the Saturday closest to March 31. In a 52-week fiscal year, each quarter includes 13 weeks of operations; in a 53-week fiscal year, the first, second and third quarters each include 13 weeks of operations and the fourth quarter includes 14 weeks of operations. The data presented contains references to fiscal 2014, fiscal 2013, the Successor Period and the Predecessor Period, which represent our fiscal years ended March 29, 2014 and March 30, 2013, and our fiscal periods from December 12, 2011 to March 31, 2012 and from April 3, 2011 to December 11, 2011, respectively. Fiscal 2014 and fiscal 2013 were each 52-week periods, the Successor Period consisted of approximately 16 weeks and the Predecessor Period consisted of approximately 36 weeks. Same store sales growth presented for each of the Predecessor Period and the Successor Period was calculated by comparing same store sales for such period against same store sales for the corresponding period in fiscal 2011. The data includes the activities of RCC from August 2012 and Baskins from May 2013, their respective dates of acquisition.

(2) Represents costs incurred in connection with the acquisitions of RCC and Baskins, as well as the Recapitalization.

(3) Net income per share for the thirty-nine weeks ended December 27, 2014 reflects the deduction from net income, for purposes of determining the net income available to common stockholders, of the cash payment of $1.4 million made in April 2014 to holders of vested

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stock options. See "Management's discussion and analysis of financial condition and results of operations Liquidity and capital resources Financing activities".

(4) The indicated data, other than data for the Predecessor Period, gives effect to the 25-for-1 stock split of our common stock effected October 27, 2014.

(5) EBITDA and Adjusted EBITDA are financial measures that are not calculated in accordance with GAAP. We define EBITDA as net income (loss) adjusted to exclude income tax expense (benefit), net interest expense and depreciation and intangible asset amortization. We define Adjusted EBITDA as EBITDA adjusted to exclude non-cash stock-based compensation, the non-cash accrual for future award redemptions, recapitalization expenses, acquisition expenses, acquisition-related integration and reorganization costs, amortization of inventory fair value adjustment, loss on disposal of assets and other unusual or non-recurring expenses. We include EBITDA and Adjusted EBITDA in this prospectus because they are important financial measures which our management, board of directors and lenders use to assess our operating performance. EBITDA and Adjusted EBITDA should not be considered in isolation or as alternatives to net income or any other measure of financial performance calculated and presented in accordance with GAAP. Given that EBITDA and Adjusted EBITDA are measures not deemed to be in accordance with GAAP and are susceptible to varying calculations, our EBITDA and Adjusted EBITDA may not be comparable to similarly titled measures of other companies, including companies in our industry, because other companies may calculate EBITDA and Adjusted EBITDA in a different manner than we calculate these measures. See "Non-GAAP financial measures" at the beginning of this prospectus. The following table presents a reconciliation of EBITDA and Adjusted EBITDA to our net income, the most directly comparable financial measure calculated and presented in accordance with GAAP, for each of the periods indicated:

	Fiscal year ended(1)			Period(1)	Thirty-nine weeks ended	
			(Successor)	(Predecessor)		
(in thousands)	March 29, 2014	March 30, 2013	December 12, 2011 to March 31, 2012	April 3, 2011 to December 11, 2011	December 27, 2014	December 28, 2013
EBITDA reconciliation:						
Net income (loss)	$ 5,660	$ 680	$ (4,601)	$ (660)	$ 11,120	$ 3,768
Income tax expense (benefit)	3,321	826	(1,047)	(135)	6,794	2,434
Interest expense, net	11,594	7,415	1,442	3,684	9,755	9,528
Depreciation and intangible asset amortization	8,129	5,588	1,095	1,218	6,443	5,775
EBITDA	28,704	14,509	(3,111)	4,107	34,112	21,505
Non-cash stock-based compensation(a)	1,291	787	99		1,459	889
Non-cash accrual for future award redemptions(b)	591	219	384	470	581	821
Recapitalization expenses(c)			3,027	7,336		
Acquisition expenses(d)	671	1,138				671
	6,167	2,061				4,536

Acquisition-related integration and reorganization costs(e)						
Amortization of inventory fair value adjustment(f)	867	9,199	9,369			867
Loss on disposal of assets(g)	1,980	322	17	4	113	804
Other unusual or non-recurring expenses(h)		698			864	
Adjusted EBITDA	$ 40,271	$ 28,933	$ 9,785	$ 11,917	$ 37,129	$ 30,093

(a) Represents non-cash compensation expenses related to stock options and restricted stock awards granted to certain of our employees and directors.

(b) Represents non-cash accrual for future award redemptions in connection with our customer loyalty program.

(c) Represents non-capitalized costs associated with the Recapitalization.

(d) Represents direct costs and fees related to the acquisitions of RCC and Baskins, which we acquired in August 2012 and May 2013, respectively.

(e) Represents certain store integration, remerchandising and corporate consolidation costs incurred in connection with the integrations of RCC and Baskins, which we acquired in August 2012 and May 2013, respectively.

(f) Represents the amortization of purchase-accounting adjustments that increased the value of inventory acquired to its fair value.

(g) Represents loss on disposal of assets in connection with the rebranding of RCC and Baskins acquired stores and store closures, as well as other costs.

(h) Represents professional fees and expenses incurred in connection with other acquisition activity.

(6) Average net sales per store is calculated by dividing net sales for the applicable period by the number of stores operating at the end of the period. For the purpose of calculating net sales per store, e-commerce sales and certain other revenues are excluded from net sales.

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Management's discussion and analysis of financial condition and results of operations

You should read the following discussion in conjunction with the consolidated financial statements, condensed consolidated financial statements and the accompanying notes included elsewhere in this prospectus, as well as the information presented under "Selected consolidated financial data". The statements in the following discussion and analysis regarding expectations about our future performance, liquidity and capital resources and any other non-historical statements in this discussion and analysis are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, those described under "Risk factors" and "Special note regarding forward looking statements" elsewhere in this prospectus. Our actual results could differ materially from those contained in or implied by any forward-looking statements.

Overview

We are the largest and fastest-growing lifestyle retail chain devoted to western and work-related footwear, apparel and accessories in the U.S. As of February 6, 2015, we operated 165 stores in 26 states, as well as a growing e-commerce website, www.bootbarn.com. Our stores feature a comprehensive assortment of approximately 200 brands and more than 1,500 styles on average, coupled with attentive, knowledgeable store associates. Our product offering is anchored by an extensive selection of western and work boots and is complemented by a wide assortment of coordinating apparel and accessories. Many of the items that we offer are basics or necessities for our customers' daily lives and typically represent enduring styles that are not impacted by changing fashion trends.

We strive to offer an authentic, one-stop shopping experience that fulfills the everyday lifestyle needs of our customers, and as a result, many of our customers make purchases in both the western and work wear sections of our stores. We target a broad and growing demographic, ranging from passionate western and country enthusiasts, to workers seeking dependable, high-quality footwear and clothing. Our broad geographic footprint, which comprises more than twice as many stores as our nearest direct competitor that sells primarily western and work wear, provides us with significant economies of scale, enhanced supplier relationships, the ability to recruit and retain high quality store associates and the ability to reinvest in our business at levels that we believe exceed those of our competition.

Growth strategies and outlook

We plan to continue to expand our business, increase our sales growth and profitability and enhance our competitive position by executing the following strategies:

- expanding our store base;
- driving same store sales growth;
- enhancing brand awareness;
- growing our e-commerce business; and
- increasing profitability.

Since the founding of Boot Barn in 1978, we have grown both organically and through successful strategic acquisitions of competing chains. We have rebranded and remerchandised the acquired chains under the Boot Barn banner, resulting in sales and profit increases over their original concepts. We believe that our business model and scale provide us with competitive advantages that have contributed to our consistent and strong financial performance, generating sufficient cash flow to support national growth.

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Factors affecting comparability of results of operations

Recapitalization

On December 12, 2011, we consummated a recapitalization with Freeman Spogli & Co., which we refer to as the Recapitalization, to provide liquidity for certain existing stockholders, to repay existing indebtedness and to help us achieve our long-term growth objectives by partnering with a private equity firm with expertise in assisting retail companies in executing their growth strategies. Funds affiliated with Freeman Spogli & Co. purchased shares of our common stock representing a 90.4% equity interest in our subsidiary, Boot Barn Holding Corporation. In connection with the Recapitalization, management and other investors purchased shares of our common stock and common stock of Boot Barn Holding Corporation, collectively representing a 9.6% equity interest in Boot Barn Holding Corporation. In addition, on December 12, 2011, we entered into an amended and restated revolving credit facility and term loan facility and issued $25.0 million in mezzanine notes. The purchase price associated with the Recapitalization has been allocated to assets acquired and liabilities assumed based on their fair values as of the date of the Recapitalization, which has resulted in the recognition of goodwill.

RCC Acquisition

On August 31, 2012, we acquired RCC, a western and work-related retail chain of 29 stores located in 12 states. We refer to our acquisition of RCC as the RCC Acquisition. In connection with the RCC Acquisition, we amended our revolving credit facility and our then-existing term loan facility to increase the size of both facilities. We also raised an additional $25.5 million by issuing new mezzanine notes and issued 296,725 shares of our common stock to one of our mezzanine lenders, which represented a 1.5% equity interest in Boot Barn Holding Corporation immediately following the RCC Acquisition. Upon the closing of the RCC Acquisition, we used borrowings under our revolving credit facility and our then-existing term loan facility, as well as the new mezzanine notes, to, among other things, pay the cash portion of the acquisition consideration, as well as related fees and expenses incurred in connection with the RCC Acquisition. Commencing on August 31, 2012, our consolidated financial statements and condensed consolidated financial statements include the financial position, results of operations and cash flows of RCC. The purchase price has been allocated to assets acquired and liabilities assumed based on their fair values as of the closing date of the RCC Acquisition, which has resulted in the recognition of goodwill.

Through the RCC Acquisition, we increased our store base by 33% and expanded our geographic footprint into the Midwest and Southeast. In addition, we have achieved significant benefits from the RCC Acquisition as a result of improved purchasing efficiencies from suppliers and corporate support efficiencies. All of the RCC stores have been rebranded under the Boot Barn banner.

Baskins Acquisition

As of May 25, 2013, we acquired Baskins, a western and work-related retail chain of 30 stores located in Texas and Louisiana. We refer to our acquisition of Baskins as the Baskins Acquisition. In connection with the Baskins Acquisition, we amended our revolving credit facility to increase the size of the facility to $60.0 million and entered into our term loan facility. Upon the closing of the Baskins Acquisition, we used borrowings under our revolving credit facility and our term loan facility, to, among other things, pay the cash portion of the acquisition consideration, repay our then-existing term loan facility and mezzanine notes, including prepayment penalties, and pay fees and expenses incurred in connection with the Baskins Acquisition. Commencing on May 25, 2013, our consolidated financial statements and condensed consolidated financial statements include the financial position, results of operations and cash flows of Baskins. The purchase price has been allocated to assets acquired and liabilities assumed based on their

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fair values as of the closing date of the Baskins Acquisition, which has resulted in the recognition of goodwill.

Through the Baskins Acquisition, we entered the attractive Texas market, which is the number one market for western boots, apparel and accessories. All of the Baskins stores have been rebranded under the Boot Barn banner and have been merchandised to be consistent with our existing stores. We have seen an increase in both sales and profitability since rebranding and remerchandising the stores acquired in the Baskins Acquisition.

Reorganization

As of June 8, 2014, WW Top Investment Corporation held all of the outstanding shares of common stock of WW Holding Corporation, which held 95.0% of the outstanding shares of common stock of Boot Barn Holding Corporation. Boot Barn Holding Corporation held all of the outstanding shares of common stock of Boot Barn, Inc., which is our primary operating subsidiary. To simplify our organizational structure, we completed a reorganization on June 9, 2014, whereby WW Holding Corporation was merged with and into WW Top Investment Corporation and then Boot Barn Holding Corporation was merged with and into WW Top Investment Corporation. As a result of this reorganization, Boot Barn, Inc. became a direct wholly owned subsidiary of WW Top Investment Corporation, and the minority stockholders that formerly held 5.0% of Boot Barn Holding Corporation became holders of 5.0% of WW Top Investment Corporation. The legal name of WW Top Investment Corporation was subsequently changed to Boot Barn Holdings, Inc.

Amendment of certificate of incorporation

On October 19, 2014, our board of directors authorized the amendment of our certificate of incorporation to increase the number of shares that we are authorized to issue to 100,000,000 shares of common stock, par value $0.0001 per share. In addition, the amendment of the certificate of incorporation authorized us to issue 10,000,000 shares of preferred stock, par value $0.0001 per share, and effect a 25-for-1 stock split of our outstanding common stock. The amendment became effective on October 27, 2014. Accordingly, all common share and per share amounts in this prospectus have been adjusted to reflect the increase in authorized shares and the 25-for-1 stock split as though it had occurred at the beginning of the initial period presented.

Initial public offering

On October 29, 2014, we commenced our initial public offering of our common stock. In addition, on October 31, 2014, the underwriters of the initial public offering exercised their option to purchase an additional 750,000 shares of common stock from us. As a result, 5,750,000 shares of common stock were issued and sold by us at a price of $16.00 per share.

How we assess the performance of our business

In assessing the performance of our business, we consider a variety of performance and financial measures. The key indicators we use to evaluate the financial condition and operating performance of our business are net sales and gross profit. In addition, we also review other important metrics, such as same store sales, new store openings, SG&A expenses, EBITDA and Adjusted EBITDA. See "Non-GAAP financial measures" at the beginning of this prospectus for our definition of EBITDA and Adjusted EBITDA and why we present EBITDA and Adjusted EBITDA, and see "Prospectus summary Summary consolidated financial and other data" for a reconciliation of our EBITDA and Adjusted EBITDA to net income, the most directly comparable financial measure calculated and presented in accordance with GAAP.

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Net sales

Net sales reflect revenue from the sale of our merchandise at retail locations, as well as sales of merchandise through our e-commerce website. We recognize revenue upon the purchase of merchandise by customers at our stores and upon delivery of the product in the case of our e-commerce website. Net sales also include shipping and handling fees for e-commerce shipments that have been delivered to the customer. Net sales are net of returns on sales during the period as well as an estimate of returns and award redemptions expected in the future stemming from current period sales. Revenue from the sale of gift cards is deferred until the gift cards are used to purchase merchandise.

Our business is moderately seasonal and as a result our revenues fluctuate from quarter to quarter. In addition, our revenues in any given quarter can be affected by a number of factors including the timing of holidays and weather patterns. The third quarter of our fiscal year, which includes the Christmas shopping season, has historically produced stronger sales and disproportionately stronger operating results than the other quarters of our fiscal year. However, we believe that our sales throughout the year are more consistent than most other specialty retail chains. As a result of the dispersion of various western events throughout the year, we rely less on Christmas results than other specialty retail chains. In addition, neither the western nor the work component of our business has been meaningfully impacted by fashion trends or seasonality historically. We believe that many of our customers are driven primarily by utility and brand, and our best-selling styles.

Same store sales

Same store sales generally consist of net sales from stores that have been open at least 13 full fiscal months as of the end of the current reporting period, which is when we believe comparability is achieved. For a complete description of the manner in which we calculate same store sales see "Same store sales" at the beginning of this prospectus.

Retail store sales, e-commerce sales, e-commerce shipping and handling revenue and actual sales returns are included in same store sales. Measuring the change in year-over-year same store sales allows us to evaluate how our store base is performing. Numerous factors affect our same store sales, including:

- national and regional economic trends;
- our ability to identify and respond effectively to regional consumer preferences;
- changes in our product mix;
- changes in pricing;
- competition;
- changes in the timing of promotional and advertising efforts;
- holidays or seasonal periods; and
- weather.

Opening new stores is an important part of our growth strategy and we anticipate that a significant percentage of our net sales in the near future will come from stores not included in our same store sales calculation. Accordingly, same store sales are only one measure we use to assess the success of our business and growth strategy. Some of our competitors and other retailers may calculate "same" or "comparable" store sales differently than we do. As a result, data in this prospectus regarding our same store sales may not be comparable to similar data made available by other retailers.

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New store openings

New store openings reflect the number of stores, excluding acquired stores, that are opened during a particular reporting period. In connection with opening new stores, we incur pre-opening costs. Pre-opening costs consist of costs incurred prior to opening a new store and primarily consist of manager and other employee payroll, travel and training costs, marketing expenses, initial opening supplies and costs of transporting initial inventory and certain fixtures to store locations, as well as occupancy costs incurred from the time that we take possession of a store site to the opening of that store. Occupancy costs are included in cost of goods sold and the other pre-opening costs are included in SG&A expenses. All of these costs are expensed as incurred.

New stores often open with a period of high sales levels, which subsequently decrease to normalized sales volumes. In addition, we experience typical inefficiencies in the form of higher labor, advertising and other direct operating expenses, and as a result, store-level profit margins at our new stores are generally lower during the start-up period of operation. The number and timing of store openings has had, and is expected to continue to have, a significant impact on our results of operations. In assessing the performance of a new store, we review its actual sales against the sales that we projected that store to achieve at the time we initially approved its opening. We also review the actual number of stores opened in a fiscal year against the number of store openings that we included in our budget at the beginning of that fiscal year.

Gross profit

Gross profit is equal to our net sales less our cost of goods sold. Cost of goods sold includes the cost of merchandise, obsolescence and shrinkage provisions, store and warehouse occupancy costs (including rent, depreciation and utilities), inbound and outbound freight, supplier allowances, occupancy-related taxes, compensation costs for merchandise purchasing and warehouse personnel, and other inventory acquisition-related costs. These costs are significant and can be expected to continue to increase as we grow. The components of our reported cost of goods sold may not be comparable to those of other retail companies, including our competitors. As a result, data in this prospectus regarding our gross profit may not be comparable to similar data made available by other retailers.

Our gross profit is variable in nature and generally follows changes in net sales. We regularly analyze the components of gross profit, as well as gross profit as a percentage of net sales. Specifically, we examine the initial markup on purchases, markdowns and reserves, shrinkage, buying costs, distribution costs and occupancy costs. Any inability to obtain acceptable levels of initial markups, or a significant increase in our use of markdowns or in inventory shrinkage, or a significant increase in freight and other inventory acquisition costs could have an adverse impact on our gross profit and results of operations.

Gross profit is also impacted by shifts in the proportion of sales of our private brand products compared to third-party brand products, as well as by sales mix shifts within and between brands and between major product categories such as footwear, apparel or accessories.

Selling, general and administrative expenses

Our selling, general and administrative expenses, or SG&A expenses, are composed of labor and related expenses, other operating expenses and general and administrative expenses not included in cost of goods sold. Specifically, our SG&A expenses include the following:

- *Labor and related expenses* Labor and related expenses include all store-level salaries and hourly labor costs, including salaries, wages, benefits and performance incentives, labor taxes and other indirect labor costs.

Other operating expenses Other operating expenses include all operating costs, including those for advertising, marketing campaigns, operating supplies, utilities, and repairs and maintenance, as well as credit card fees and costs of third-party services.

General and administrative expenses General and administrative expenses comprise expenses associated with corporate and administrative functions that support the development and operations of our stores, including compensation and benefits, travel expenses, corporate occupancy costs, stock compensation costs, legal and professional fees, insurance and other related corporate costs.

The components of our SG&A expenses may not be comparable to those of our competitors and other retailers. We expect that our SG&A expenses will increase in future periods due to our store growth strategy and, in part, due to additional legal, accounting, insurance and other expenses that we expect to incur as a result of being a public company. In addition, we expect that compliance with the Sarbanes-Oxley Act and related rules and regulations could result in significant incremental legal, accounting and other overhead costs after we cease to be an emerging growth company.

EBITDA and Adjusted EBITDA

EBITDA and Adjusted EBITDA are important financial measures used by our management, board of directors and lenders to assess our operating performance. We use EBITDA and Adjusted EBITDA as key performance measures because we believe that they facilitate operating performance comparisons from period to period by excluding potential differences primarily caused by the impact of variations from period to period in tax positions, interest expense and depreciation and amortization, as well as, in the case of Adjusted EBITDA, excluding non-cash expenses, such as stock-based compensation and the non-cash accrual for future award redemptions, and unusual or non-recurring costs and expenses that are not directly related to our operations, including recapitalization expenses, acquisition expenses, acquisition-related integration and reorganization costs, amortization of inventory fair value adjustment, loss on disposal of assets and other unusual or non-recurring expenses. Because EBITDA and Adjusted EBITDA facilitate internal comparisons of our historical operating performance on a more consistent basis, we also use EBITDA and Adjusted EBITDA (or some variations thereof) for business planning purposes, in calculating covenant compliance for our credit facilities, in determining incentive compensation for members of our management and in evaluating acquisition opportunities. In addition, we believe that EBITDA and Adjusted EBITDA and similar measures are widely used by investors, securities analysts, ratings agencies and other parties in evaluating companies in our industry as a measure of financial performance and debt-service capabilities.

Results of operations

We operate on a fiscal calendar which results in a 52- or 53-week fiscal year ending on the Saturday closest to March 31. In a 52-week fiscal year, each quarter includes 13 weeks of operations; in a 53-week fiscal year, the first, second and third quarters each include 13 weeks of operations and the fourth quarter includes 14 weeks of operations. For ease of reference, we identify our fiscal years by reference to the calendar year in which the fiscal year ends.

The following table summarizes key components of our results of operations for the periods indicated, both in dollars and as a percentage of our net sales. The following discussion contains references to fiscal 2014, fiscal 2013, the Successor Period and the Predecessor Period, which represent our fiscal years ended March 29, 2014 and March 30, 2013, and our fiscal periods from December 12, 2011 to March 31, 2012 and from April 3, 2011 to December 11, 2011, respectively. Fiscal 2014 and fiscal 2013 were each 52-week periods, the Successor Period consisted of approximately 16 weeks and the Predecessor Period consisted of

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approximately 36 weeks. The data include the activities of RCC from August 2012 and Baskins from May 2013, their respective dates of acquisition.

(in thousands)	Fiscal year ended March 29, 2014	Fiscal year ended March 30, 2013	Period (Successor) December 12, 2011 to March 31, 2012	Period (Predecessor) April 3, 2011 to December 11, 2011	Thirty-nine weeks ended December 27, 2014	Thirty-nine weeks ended December 28, 2013
Consolidated statements of operations data:						
Net sales	$ 345,868	$ 233,203	$ 58,267	$ 110,429	$ 299,404	$ 257,382
Cost of goods sold	231,796	151,357	37,313	72,129	198,605	170,827
Amortization of inventory fair value adjustment	867	9,199	9,369			867
Total cost of goods sold	232,663	160,556	46,682	72,129	198,605	171,694
Gross profit	113,205	72,647	11,585	38,300	100,799	85,688
Operating expenses:						
Selling, general and administrative expenses	91,998	62,609	12,769	28,145	73,167	69,310
Acquisition-related expenses	671	1,138	3,027	7,336		671
Total operating expenses	92,669	63,747	15,796	35,481	73,167	69,981

Restricted Stock Units

A participant generally will not recognize income upon the grant of an Award of restricted stock units. Unless the participant has made a deferral election that satisfies the requirements of Code Section 409A, the participant will recognize ordinary income in the year or years in which the restricted stock units vest and the restrictions imposed by the Plan on the Award terminate in an amount equal to the excess, if any, of the fair market value of the Shares on the date the restrictions expire or are removed over any amount paid by the participant for such Shares. If a valid deferral election has been made, the participant will recognize ordinary income in the year the restricted stock unit is paid to him, in an amount equal to the excess, if any, of the fair market value of the Shares on the date of payment over the amount paid by the participant for such Shares.

Withholding Taxes

Generally, the Company will be required to withhold applicable taxes with respect to any ordinary income recognized by a participant in connection with Awards granted under the Plan. The Administrator may permit a participant to pay withholding taxes through the mandatory or elective sale of Shares, by electing to have the Company withhold a portion of the Shares that would otherwise be issued upon exercise of an Award or by tendering Shares already owned by the participant.

General Matters

The Company will generally be entitled to a tax deduction corresponding in amount and time to the participant s recognition of ordinary income in the circumstances described above. For taxable years beginning after December 31, 2017, Section 162(m) of the Code generally limits the federal income tax deduction for compensation paid to covered employees (in general, the CEO, the CFO, and the three other most highly-compensated executive officers for the year at issue and any person who was part of that group for any other year beginning after December 31, 2016) to $1 million. Thus, certain compensation attributable to Awards may be nondeductible to the Company due to the application of Section 162(m) of the Code. In addition, in connection with a change in control of the Company, and depending upon the terms and conditions of Awards granted under the Plan and upon the individual circumstances of the participants, certain amounts with respect to Awards granted under the Plan may constitute excess parachute payments under the golden parachute provisions of Section 280G of the Code. Under these provisions, a participant will be subject to a 20% excise tax on any excess parachute payment and the Company will be denied any deduction with respect to such payment. The Company generally intends that Awards granted under the Plan comply with, or are otherwise exempt from, Section 409A of the Code, but cannot guarantee such treatment and will have no liability to a participant or any other party if an Award is not so compliant or exempt.

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New Plan Benefits

The benefits that will be awarded or paid in the future under the Plan are not currently determinable. Such awards are within the discretion of the Compensation Committee, and the Compensation Committee has not determined future awards or who might receive them. Information about awards granted in fiscal 2017 under the Old Plan to the Company s named executive officers can be found in the table under the heading 2017 Grants of Plan-Based Awards on page 43 of this Proxy Statement.

Securities Authorized for Issuance under Equity Compensation Plans

The following table summarizes our equity compensation plans as of December 31, 2017:

Plan Category	Number of Shares to be Issued Upon Exercise of Outstanding Options, Warrants and Rights[1] (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights[1] (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity compensation plans approved by stockholders[2]	85,949	n/a	0
Equity compensation plans not approved by stockholders	None	n/a	None
Total	85,949	n/a	0

(1) Consists solely of restricted stock units, which do not have an exercise price.

(2) Our 2007 Stock Incentive Plan terminated on November 29, 2017, and no awards may be granted after such date. The termination of the plan does not affect the validity of any awards outstanding on the date of termination. All awards presented were granted prior to termination of the plan.

Securities Registration

We intend to register the Shares available for issuance under the Plan under a Registration Statement on Form S-8 to be filed with the SEC following approval of the Plan by our stockholders.

The Board of Directors Recommends a Vote FOR

the Approval of the Forestar 2018 Stock Incentive Plan.

REPORT OF THE AUDIT COMMITTEE

The Audit Committee assists the Board of Directors in its oversight of the integrity of the financial statements; compliance with legal and regulatory requirements; the adequacy of internal control over financial reporting; and the independence, qualifications, and performance of the independent registered public accounting firm and the internal auditors. Our duties and responsibilities are more fully described in our charter, which is available on the Company s website at *www.forestargroup.com.*

Management is responsible for the financial statements, the effectiveness of internal control over financial reporting, and compliance with legal and regulatory requirements. The independent registered public accounting firm, Ernst & Young LLP, is responsible for auditing the financial statements and expressing its opinion on the conformity of the financial statements with generally accepted accounting principles.

In fulfilling our oversight responsibilities, we reviewed and discussed with management and with Ernst & Young LLP the audited financial statements for the year ended December 31, 2017. We also reviewed and discussed the audit plans and results and the matters required to be discussed with Ernst & Young LLP by Statement of Auditing Standard No. 16, *Communications with Audit Committees*, issued by the Public Company Accounting Oversight Board. In addition, we received and reviewed the written disclosures and letter from Ernst & Young LLP required by applicable rules of the Public Company Accounting Oversight Board regarding the independent accountant s communications with the Audit Committee concerning independence, and have discussed with Ernst & Young LLP their independence.

Based on this, we recommended to the Board of Directors that the audited financial statements be included in the Annual Report on Form 10-K for the year ended December 31, 2017, for filing with the Securities and Exchange Commission.

AUDIT COMMITTEE:

Donald C. Spitzer, Chair

Samuel R. Fuller

M. Ashton Hudson

G.F. (Rick) Ringler, III

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PROPOSAL TO RATIFY THE SELECTION OF ERNST & YOUNG LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee has selected Ernst & Young LLP as the independent registered public accounting firm to audit our consolidated financial statements for the fiscal year 2018. Ernst & Young LLP currently serves as our independent registered public accounting firm.

Fees incurred to Ernst & Young LLP for the last two fiscal years were (in thousands):

	2017	2016
Audit Fees(1)	$ 650	$ 1,000
Audit-Related Fees(2)	98	
Tax Fees(3)		35
All Other Fees		
Total	$ 748	$ 1,035

(1) Audit fees include the annual audit and quarterly reviews of our financial statements and normal assistance with annual and periodic filings of our financial statements with the Securities and Exchange Commission.

(2) Audit-related fees include consultation on matters addressed during the audit or interim reviews and consultations related to pending or proposed transactions including, in 2017, the Merger.

(3) Tax related fees in 2016 are related to analysis associated with our tax benefits preservation plan.

All services provided by the independent registered public accounting firm must be pre-approved by the Audit Committee. Under the pre-approval policy, the Audit Committee pre-approves by type and amount the services expected to be provided by the independent registered public accounting firm during the coming year. This pre-approval is documented in the minutes of the Audit Committee meeting. The types of services the Audit Committee pre-approves annually are the audit, audit-related, and certain tax services described above.

A pre-approval subcommittee, consisting of the Chairman of the Audit Committee and one other member of the Audit Committee, may grant approvals between Audit Committee meetings for services not pre-approved by the full Audit Committee. Such approvals must be reported to the full Audit Committee at its next meeting. Pre-approval is not required for non-audit services that were not recognized as non-audit services at the time of engagement, if the aggregate amount of such services does not exceed the lesser of $100,000 or 5% of the total amount of revenues paid to the independent registered public accounting firm during that fiscal year and such services are promptly brought to the attention of and approved by the Audit Committee prior to completion of the current year s audit. During 2017, no services were approved pursuant to this exception.

In addition, the Audit Committee must separately pre-approve any significant changes in scope or fees for any approved service. No pre-approval authority is delegated to management. Quarterly, the committee reviews the specific services that have been provided and the related fees.

Representatives of Ernst & Young LLP will be present at the annual meeting with the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions from stockholders.

Stockholder ratification is not required for the selection of Ernst & Young LLP because the Audit Committee has the responsibility for selecting our independent registered public accounting firm. The selection, however, is being submitted for ratification by the stockholders at the annual meeting. No determination has been made as to what action the Audit Committee would take if stockholders do not ratify the selection.

The Board of Directors Recommends a Vote FOR the Ratification of Ernst & Young LLP as our Independent Registered Public Accounting Firm for the Fiscal Year Ending September 30, 2018.

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OTHER MATTERS

Other Business to be Presented

Our Board of Directors knows of no other business that may properly be, or that is likely to be, brought before the annual meeting. If, however, any other business should be properly presented for consideration at the annual meeting, including, among other things, consideration of a motion to adjourn the meeting to another time or place, the persons named in the accompanying proxy will vote the proxy as in their discretion they may deem appropriate.

DATE FOR RECEIPT OF STOCKHOLDER PROPOSALS

In February 2018, our Board of Directors changed our fiscal year end from December 31 to September 30 in order to align the financial reporting periods of D.R. Horton and Forestar. As a result, in fiscal 2018, our fiscal year will be the period from January 1, 2018 through September 30, 2018, resulting in a nine-month reporting period in the first year of the fiscal year end change. We anticipate that our 2019 annual stockholders meeting date will be on or about January 30, 2019. Thus, we are using this date for purposes of determining the deadlines for submitting shareholder proposals for our 2019 annual stockholders meeting. If our 2019 annual stockholders meeting date changes by more than 30 days from this date, we will inform our stockholders of this change and the new shareholder proposal deadlines in a quarterly report on Form 10-Q or other reasonable means to inform our stockholders.

Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended, stockholders may present appropriate proposals for inclusion in our proxy statement and for consideration at our annual meeting of stockholders by submitting their proposals to us in a timely manner. For a stockholder proposal to be considered for inclusion in our proxy statement for our 2019 annual meeting, the proposal must be received by our Corporate Secretary by October 2, 2018 and must comply with the requirements of Rule 14a-8. Any stockholder proposal received after October 2, 2018 will not be considered for inclusion in our 2019 proxy statement.

Our amended and restated bylaws contain an advance notice procedure with regard to items of business to be brought before an annual meeting of stockholders by a stockholder. These procedures require that notice be made in writing to our Corporate Secretary and the item of business must otherwise be a proper matter for stockholder action. The notice must be received at our executive offices not less than 75 days nor more than 100 days prior to the anniversary date of the immediately preceding annual meeting of stockholders. In the case of an annual meeting called for a date more than 50 days prior to the anniversary date, notice must be received not later than the close of business on the 10th day following the date on which notice of the annual meeting date is first mailed to stockholders or made public, whichever occurs first. Stockholder proposals to be brought before our 2019 annual meeting and submitted outside the processes of Rule 14a-8 will be considered untimely if they are submitted before October 22, 2018 or after November 16, 2018. Our amended and restated bylaws require that the notice of the proposal contain certain information concerning the proposing stockholder and the proposal.

Our amended and restated bylaws also contain an advance notice procedure for the nomination of candidates for election to the Board of Directors by stockholders. For a brief description of the nomination procedures, see Election of Directors How Nominees Are Selected. Director nominations to be brought by stockholders before our 2019 annual meeting will be considered untimely if they are submitted before October 22, 2018 or after November 16, 2018.

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Voting Questions or Assistance

If you have any questions or require assistance with the voting process, please call 866-232-3037 (domestic) or 720-358-3640 (international).

Electronic Delivery of Proxy Materials

In an effort to reduce paper mailed to your home and help lower printing and postage costs, we are offering stockholders the convenience of viewing online proxy statements, annual reports and related materials. With your consent, we can stop sending future paper copies of these documents. To elect this convenience, stockholders may follow the instructions when voting online at *www.proxyvote.com*. Following the 2018 annual meeting of stockholders, you may continue to register for electronic delivery of future documents by visiting *www-us.computershare.com/investor*. If you own shares indirectly through a broker, bank, or other nominee, please contact your financial institution for additional information regarding enrolling for electronic delivery.

This Proxy Statement is being sent to you by the Forestar Board of Directors.

CHARLES D. JEHL
Executive Vice President, Chief
Financial Officer and Treasurer
Austin, Texas

THOMAS B. MONTANO
Vice President and
Corporate Secretary

March 29, 2018

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APPENDIX A

2018 Stock Incentive Plan

FORESTAR GROUP INC.

2018 STOCK INCENTIVE PLAN

(Effective as of May 8, 2018)

1. Purpose

The purpose of the Forestar Group Inc. 2018 Stock Incentive Plan (the **Plan**) is to advance the interests of Forestar Group Inc. (the **Company**) by stimulating the efforts of employees, officers and non-employee directors and certain other service providers, in each case who are selected to be participants, by heightening the desire of such persons to continue in working toward and contributing to the success and progress of the Company. The Plan provides for the grant of Incentive and Nonqualified Stock Options, Stock Appreciation Rights, Restricted Stock and Restricted Stock Units, any of which may be performance-based, as determined by the Administrator.

2. Definitions

As used in the Plan, the following terms shall have the meanings set forth below:

(a) **Administrator** means the Administrator of the Plan in accordance with Section 15.

(b) **Award** means an Incentive Stock Option, Nonqualified Stock Option, Stock Appreciation Right, Restricted Stock, or Restricted Stock Unit granted to a Participant pursuant to the provisions of the Plan.

(c) **Award Agreement** means a written agreement or other instrument, which may be transmitted electronically, at the Company s Administrator s discretion, as may be approved from time to time by the Administrator implementing the grant of each Award. An Agreement may be in the form of an agreement to be executed by both the Participant and the Company (or an authorized representative of the Company) or certificates, notices or similar instruments as approved by the Administrator.

(d) **Board** means the board of directors of the Company.

(e) **Change in Control** means the occurrence of any of the following events:

(1) The consummation of a merger, consolidation or reorganization of the Company into or with another corporation or other legal person if the stockholders of the Company, immediately before such merger, consolidation or reorganization, do not, immediately following such merger, consolidation or reorganization, then own directly or indirectly, more than 50% of the combined voting power of the then-outstanding voting securities of the corporation or other legal person resulting from such merger, consolidation or reorganization in substantially the same proportion as their ownership of Voting Securities (as hereinafter defined) immediately prior to such merger, consolidation or reorganization; excluding, however, a merger, consolidation or reorganization into or with D.R. Horton, Inc., any Subsidiary of D.R. Horton, Inc., or an employee benefit plan or related trustee of D.R. Horton, Inc. or any of its Subsidiaries;

(2) The Company sells all or substantially all of its assets to another corporation or other legal person; excluding, however, a sale to D.R. Horton, Inc., any Subsidiary of D.R. Horton, Inc., or an employee benefit plan or related trustee of D.R. Horton, Inc. or any of its Subsidiaries;

(3) A complete liquidation or dissolution of the Company;

(4) Any person (as the term person is used in Section 13(d)(3) or Section 14(d)(2) of the Exchange Act) has become the beneficial owner (as the term beneficial owner is defined under Rule 13d-3 or any successor rule or regulation promulgated under the Exchange Act) of securities representing 50% or more of the combined voting power of the then-outstanding voting securities of the Company (**Voting Securities**) (computed in accordance with the standards for the computation of total percentage ownership for the purposes

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of Schedule 13D or Schedule 14D-l or any successor schedule, form or report)); excluding, however, any acquisition (A) by the Company, any Subsidiary of the Company, or an employee benefit plan or related trustee of the Company or any of its Subsidiaries; (B) by D.R. Horton, Inc., any Subsidiary or an employee benefit plan or related trustee of D.R. Horton, Inc. or any of its Subsidiaries; or (C) from D.R. Horton, Inc. or any of its Subsidiaries.

(5) During any two (2) year period, a majority of the members of the Board serving at the date of the most recent approval of this Plan by stockholders is replaced by members of the Board who are not nominated and approved by the Board.

(f) **Code** means the Internal Revenue Code of 1986, as amended from time to time, and the rulings and regulations issues thereunder.

(g) **Company** means Forestar Group Inc., a Delaware corporation.

(h) **Exchange Act** means the Securities Exchange Act of 1934, as amended.

(j) **Incentive Stock Option** means a stock option that is intended to qualify as an incentive stock option within the meaning of Section 422 of the Code.

(k) **Nonemployee Director** means each person who is, or is elected to be, a member of the Board and who is not an employee of the Company or any of its Subsidiaries.

(l) **Nonqualified Stock Option** means a stock option that is not intended to qualify as an incentive stock option within the meaning of Section 422 of the Code.

(m) **Option** means an Incentive Stock Option and/or a Nonqualified Stock Option granted pursuant to Section 6.

(n) **Participant** means any individual described in Section 3 to whom Awards have been granted from time to time by the Administrator and any authorized transferee of such individual.

(o) **Plan** means the Forestar Group Inc. 2018 Stock Incentive Plan, as set forth herein and as amended from time to time.

(p) **Restricted Stock** means Shares granted pursuant to Section 8.

(q) **Restricted Stock Unit** means an Award granted to a Participant pursuant to Section 8 pursuant to which Shares or cash in lieu thereof may be issued in the future.

(r) **Service Provider** means a consultant or advisor to the Company or any of its Subsidiaries who (i) is a natural person, (ii) provides bona fide services to the Company or any of its Subsidiaries, (iii) provides services other than in connection with the offer or sale of securities in a capital-raising transaction, and (iv) does not directly or indirectly promote or maintain a market for the Company s securities, in each case, within the meaning of the General Instructions to Form S-8 under the Securities Act of 1933, as amended.

(s) **Share** means a share of the Company s common stock, par value $1.00, subject to adjustment as provided in Section 11.

(t) **Stock Appreciation Right** means a right granted pursuant to Section 7 that entitles the Participant to receive, in cash or Shares or a combination thereof, as determined by the Administrator, value equal to or otherwise based on the excess of (i) the market price of a specified number of Shares at the time of exercise over (ii) the exercise price of the right, as established by the Administrator on the date of grant.

(u) **Subsidiary** means (i) any corporation (other than the Company or D.R. Horton, Inc., as applicable) in an unbroken chain of corporations beginning with the Company (or D.R. Horton, Inc., as applicable) where each of the corporations in the unbroken chain other than the last corporation owns stock possessing at least 50 percent or more of the total combined voting power of all classes of stock in one of the other corporations in the chain, (ii) other than with respect to Incentive Stock Options, any limited liability company, limited partnership, general partnership or other entity, the majority of the equity or ownership interests in which are owned, directly or

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indirectly, by the Company (or D.R. Horton, Inc., as applicable), and (iii) if specifically determined by the Administrator in the context other than with respect to Incentive Stock Options, any entity in which the Company (or D.R. Horton, Inc., as applicable) has a significant ownership interest or that is directly or indirectly controlled by the Company.

(v) **Substitute Awards** means Awards granted or Shares issued by the Company in assumption of, or in substitution or exchange for, awards previously granted, or the right or obligation to make future awards, by a person or entity acquired by the Company or any of its Subsidiaries or with which the Company or any of its Subsidiaries merges or combines.

(w) **Termination of Employment** means ceasing to serve as a full-time employee of the Company, any of its Subsidiaries, D.R. Horton, Inc., or any of its Subsidiaries or, with respect to a Nonemployee Director or other Service Provider, ceasing to serve as such for the Company, except that with respect to all or any Awards held by a Participant (i) the Administrator may determine, subject to Section 6(d), that an approved leave of absence or approved employment on a less than full-time basis is not considered a Termination of Employment, (ii) the Administrator may determine that a transition of employment to service with a partnership, joint venture or corporation not meeting the requirements of a Subsidiary in which D.R. Horton, Inc., the Company or a Subsidiary is a party is not considered a Termination of Employment, (iii) service as an employee, other service provider or nonemployee director of D.R. Horton, Inc. or any of its Subsidiaries shall constitute continued employment with respect to Awards granted to a Participant while he or she served as an employee, Service Provider or Nonemployee Director of the Company or any of its Subsidiaries, (iv) service as an employee, Nonemployee Director or Service Provider of the Company or any of its Subsidiaries shall constitute continued employment with respect to Awards granted to a Participant while he or she served as an employee of D.R. Horton, Inc. or any of its Subsidiaries, (v) service as a member of the Board shall constitute continued employment with respect to Awards granted to a Participant while he or she served as an employee or other Service Provider and (vi) service as an employee, other service provider, or nonemployee director shall constitute continued employment with respect to Awards granted to a Participant while he or she served as a member of the Board. The Administrator shall determine whether any corporate transaction, such as a sale or spin-off of a division or Subsidiary that employs a Participant, shall be deemed to result in a Termination of Employment for purposes of any affected Participant s Awards, and the Administrator s decision shall be final and binding. Unless determined otherwise by the Administrator, a Termination of Employment will be interpreted consistent with the definition of a separation from service under the Code Section 409A Regulations.

3. Eligibility

Any person who is a current or prospective officer or employee (including, without limitation, any director who is also an employee, in his or her capacity as such) of the Company, D.R. Horton, Inc., or either of their respective Subsidiaries shall be eligible for selection by the Administrator for the grant of Awards hereunder. To the extent provided by Section 5(e), any Nonemployee Director shall be eligible for the grant of Awards hereunder as determined by the Administrator. In addition, any Service Provider shall be eligible for selection by the Administrator for the grant of Awards hereunder. Options intending to qualify as Incentive Stock Options may only be granted to employees of the Company or any Subsidiary within the meaning of Section 424(f) the Code, as selected by the Administrator.

4. Effective Date and Termination of Plan

The Plan shall be effective as of May 8, 2018, subject to approval by the Company s stockholders on such date (such date, the **Effective Date**). No Awards shall be granted under the Plan after May 8, 2028, but Awards previously granted may extend beyond that date; provided, however, that Incentive Stock Options may not be granted under the Plan after March 21, 2028. Notwithstanding the foregoing, the Plan may be terminated at such earlier time as the Board or the Compensation Committee of the Board may determine. Termination of the Plan will not affect the rights and obligations of the Participants and the Company arising under Awards theretofore granted and then in effect.

5. Shares Subject to the Plan and to Awards

(a) *Aggregate Limits*. The aggregate number of Shares issuable under the Plan shall be equal to 3,000,000. The aggregate number of Shares available for grant under this Plan and the number of Shares subject to outstanding Awards shall be subject to adjustment as provided in Section 11. The Shares issued pursuant to Awards granted under this Plan may be shares that are authorized and unissued or shares that were reacquired by the Company, including, without limitation, shares purchased in the open market.

(b) *Issuance of Shares*. For purposes of Section 5(a), the aggregate number of Shares issued under this Plan at any time shall equal only the number of Shares actually issued upon exercise or settlement of an Award. Notwithstanding the foregoing, Shares subject to an Award under the Plan may not again be made available for issuance under the Plan if such Shares are: (i) Shares that were subject to a stock-settled Stock Appreciation Right and were not issued upon the net settlement or net exercise of such Stock Appreciation Right, (ii) Shares delivered to or withheld by the Company to pay the exercise price of a Stock Option, (iii) Shares delivered to or withheld by the Company to pay the withholding taxes related to a Stock Option or a Stock Appreciation Right, or (iv) Shares repurchased on the open market with the proceeds of a Stock Option exercise. Shares subject to Awards that have been canceled, expired, forfeited or otherwise not issued under an Award and Shares subject to Awards settled in cash shall not count as Shares issued under this Plan.

(c) *Substitute Awards*. Substitute Awards shall not reduce the Shares authorized for issuance under the Plan or authorized for grant to a Participant in any calendar year. In addition, in the event that a person or entity acquired by the Company or any of its Subsidiaries, or with which the Company or any of its Subsidiaries merges or combines, has shares available under a pre-existing plan approved by its stockholders and not adopted in contemplation of such acquisition, merger or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition, merger or combination to determine the consideration payable to the holders of common stock of the entities party to such transaction) may be used for Awards under the Plan and, notwithstanding any other provision hereof, shall not reduce the Shares authorized for issuance under the Plan; provided that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition, merger or combination, and shall only be made to individuals who were employees, directors, consultants or advisors of such acquired, merged or combined company before such acquisition, merger or combination.

(d) *Tax Code Limits*. The aggregate number of Shares that may be issued pursuant to the exercise of Incentive Stock Options granted under this Plan shall not exceed 3,000,000, which number shall be calculated and adjusted pursuant to Section 11 only to the extent that such calculation or adjustment will not affect the status of any option intended to qualify as an Incentive Stock Option under Section 422 of the Code.

(e) *Director Awards*. The aggregate dollar value of equity-based Awards (based on the grant date fair value of such Awards) and cash compensation granted under the Plan or otherwise during any calendar year to any one Nonemployee Director shall not exceed $500,000; provided, however, that in any calendar year in which a Nonemployee Director first joins the Board or is designated as Chairman of the Board, the maximum aggregate dollar value of equity-based and cash compensation granted to the Nonemployee Director may be up to two hundred percent (200%) of the foregoing limit and the foregoing limit shall not count any tandem SAR (as defined in Section 7).

(f) *Individual Award Limits*. The aggregate number of Shares issued under this Plan during any calendar year to any one Participant shall not exceed 250,000, which number shall be calculated and adjusted pursuant to Section 11.

6. Options

(a) *Option Awards*. Options may be granted at any time and from time to time prior to the termination of the Plan to Participants as determined by the Administrator. No Participant shall have any rights as a stockholder with respect to any Shares subject to Options hereunder until such Shares have been issued. Each Option shall be evidenced by an Award Agreement. Options granted pursuant to the Plan need not be identical but each Option must contain and be subject to the terms and conditions set forth below.

(b) *Price*. The Administrator will establish the exercise price per Share under each Option, which, in no event will be less than the fair market value of the Shares on the date of grant; provided, however, that the exercise price per Share with respect to an Option that is granted in connection with a merger or other acquisition as a substitute or replacement award for options held by optionees of the acquired entity may be less than 100% of the market price of the Shares on the date such Option is granted if such exercise price is based on a formula set forth in the terms of the options held by such optionees or in the terms of the agreement providing for such merger or other acquisition. The exercise price of any Option may be paid in Shares, cash or a combination thereof, as determined by the Administrator, including, without limitation, an irrevocable commitment by a broker to pay over such amount from a sale of the Shares issuable under an Option, the delivery of previously owned Shares and withholding of Shares deliverable upon exercise.

(c) *No Repricing*. Other than in connection with a change in the Company s capitalization or other event or transaction described in Section 11, the terms of outstanding Awards may not be amended to (a) reduce the exercise price of outstanding Options or take any other action that is treated as a re-pricing under generally accepted accounting principles (GAAP), or (b) at any time when the exercise price of an Option is above the market value of a Share, cancel, exchange, buyout or surrender outstanding Options in exchange for cash, other awards or Options or Stock Appreciation Rights with an exercise price that is less than the exercise price of the original Options, without stockholder approval.

(d) *Provisions Applicable to Options*. The date on which Options become exercisable shall be determined at the sole discretion of the Administrator and set forth in an Award Agreement. Unless provided otherwise in the applicable Award Agreement, to the extent that the Administrator determines that an approved leave of absence or employment on a less than full-time basis is not a Termination of Employment, the vesting period and/or exercisability of an Option shall be adjusted by the Administrator during or to reflect the effects of any period during which the Participant is on an approved leave of absence or is employed on a less than full-time basis.

(e) *Term of Options and Termination of Employment*. The Administrator shall establish the term of each Option, which in no case shall exceed a period of ten (10) years from the date of grant; provided, however, the term of an Option (other than an Incentive Stock Option) shall be automatically extended if, at the time of its scheduled expiration, the Participant holding such Option is prohibited by law or the Company s insider trading policy from exercising the Option, which extension shall expire on the thirtieth (30th) day following the date such prohibition no longer applies. In addition, the Award Agreement evidencing the grant of each Option shall set forth the terms and conditions applicable to such Option upon a Participant s Termination of Employment.

(f) *Incentive Stock Options*. Notwithstanding anything to the contrary in this Section 6, in the case of the grant of an Option intending to qualify as an Incentive Stock Option: (i) if the Participant owns stock possessing more than 10 percent of the combined voting power of all classes of stock of the Company (a **10% Shareholder**), the exercise price of such Option must be at least 110 percent of the fair market value of the Shares on the date of grant and the Option must expire within a period of not more than five (5) years from the date of grant, and (ii) Termination of Employment will occur when the person to whom an Award was granted ceases to be an employee (as determined in accordance with Section 3401(c) of the Code and the regulations promulgated thereunder) of the Company and its Subsidiaries. Notwithstanding anything in this Section 6 to the contrary, options designated as Incentive Stock Options shall not be eligible for treatment under the Code as Incentive Stock Options (and will be deemed to be Nonqualified Stock Options) to the extent that either (a) the aggregate fair market value of Shares (determined as of the time of grant) with respect to which such Options are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any of its Subsidiaries) exceeds $100,000, taking Options into account in the order in which they were granted, or (b) such Options otherwise remain exercisable but are not exercised within three (3) months of Termination of Employment (or such other period of time provided in Section 422 of the Code).

(g) *No Stockholder Rights*. Participants shall have no voting rights and will have no rights to receive dividends or dividend equivalents in respect of an Option or any Shares subject to an Option until the Participant has become the holder of record of such Shares.

7. Stock Appreciation Rights

Stock Appreciation Rights may be granted to Participants from time to time either in tandem with or as a component of other Awards granted under the Plan (**tandem SARs**) or not in conjunction with other Awards (**freestanding SARs**) and may, but need not, relate to a specific Option granted under Section 6. The provisions of Stock Appreciation Rights need not be the same with respect to each grant or each recipient. Any Stock Appreciation Right granted in tandem with an Award may be granted at the same time such Award is granted or at any time thereafter before exercise or expiration of such Award. All freestanding SARs shall be granted subject to the same terms and conditions applicable to Options as set forth in Section 6 (including, without limitation, no repricing) and all tandem SARs shall have the same exercise price, vesting, exercisability, forfeiture and termination provisions as the Award to which they relate. Subject to the provisions of Section 6 and the immediately preceding sentence, the Administrator may impose such other conditions or restrictions on any Stock Appreciation Right as it shall deem appropriate. Stock Appreciation Rights may be settled in Shares, cash or a combination thereof, as determined by the Administrator and set forth in the applicable Award Agreement. Other than in connection with a change in the Company s capitalization or other event or transaction described in Section 11, the terms of outstanding Awards may not be amended to (a) reduce the exercise price of outstanding Stock Appreciation Rights or take any other action that is treated as a re-pricing under GAAP, or (b) at any time when the exercise price of a Stock Appreciation Right is above the market value of a Share, cancel, exchange, buyout or surrender outstanding Stock Appreciation Rights in exchange for cash, other awards or Options or Stock Appreciation Rights with an exercise price that is less than the exercise price of the original Stock Appreciation Rights, without stockholder approval. Participants shall have no voting rights and will have no rights to receive dividends or dividend equivalents in respect of an Award of Stock Appreciation Rights or any Shares subject to an Award of Stock Appreciation Rights until the Participant has become the holder of record of such Shares.

8. Restricted Stock and Restricted Stock Units

(a) *Restricted Stock and Restricted Stock Unit Awards*. Restricted Stock and Restricted Stock Units may be granted at any time and from time to time prior to the termination of the Plan to Participants as determined by the Administrator. Restricted Stock is an award or issuance of Shares the grant, issuance, retention, vesting and/or transferability of which is subject during specified periods of time to such conditions (including, without limitation, continued employment or performance conditions) and terms as the Administrator deems appropriate. Restricted Stock Units are Awards denominated in units of Shares under which the issuance of Shares is subject to such conditions (including, without limitation, continued employment or performance conditions) and terms as the Administrator deems appropriate. Each grant of Restricted Stock and Restricted Stock Units shall be evidenced by an Award Agreement. Unless determined otherwise by the Administrator, each Restricted Stock Unit will be equal to one Share and will entitle a Participant to either the issuance of Shares or payment of an amount of cash determined with reference to the value of Shares. To the extent determined by the Administrator, Restricted Stock and Restricted Stock Units may be satisfied or settled in Shares, cash or a combination thereof. Restricted Stock and Restricted Stock Units granted pursuant to the Plan need not be identical but each grant of Restricted Stock and Restricted Stock Units must contain and be subject to the terms and conditions set forth below.

(b) *Contents of Agreement*. Each Award Agreement shall contain provisions regarding (i) the number of Shares or Restricted Stock Units subject to such Award or a formula for determining such number, (ii) the purchase price of the Shares, if any, and the means of payment, (iii) the performance criteria, if any, and level of achievement versus these criteria that shall determine the number of Shares or Restricted Stock Units granted, issued, retainable and/or vested, (iv) such terms and conditions on the grant, issuance, vesting and/or forfeiture of the Shares or Restricted Stock Units as may be determined from time to time by the Administrator, (v) the term of the performance period, if any, as to which performance will be measured for determining the number of such

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Shares or Restricted Stock Units, and (vi) restrictions on the transferability of the Shares or Restricted Stock Units. Shares issued under a Restricted Stock Award may be issued in the name of the Participant and held by the Participant or held by the Company, in each case as the Administrator may provide.

(c) *Vesting and Performance Criteria*. The grant, issuance, retention, vesting and/or, subject to Section 9, settlement of shares of Restricted Stock and Restricted Stock Units will occur when and in such installments as the Administrator determines or under criteria the Administrator establishes.

(d) *Voting Rights*. Unless otherwise determined by the Administrator, Participants holding shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those shares during the period of restriction. Participants shall have no voting rights with respect to Shares underlying Restricted Stock Units unless and until such Shares are reflected as issued and outstanding shares on the Company s stock ledger.

(e) *Dividends and Distributions*. Participants in whose name Restricted Stock is granted shall be entitled to receive all dividends and other distributions paid with respect to those Shares, unless determined otherwise by the Administrator. The Administrator will determine whether any such dividends or distributions will be automatically reinvested in additional shares of Restricted Stock and subject to the same restrictions on transferability as the Restricted Stock with respect to which they were distributed or whether such dividends or distributions will be paid in cash. Shares underlying Restricted Stock Units shall be entitled to dividends or dividend equivalents only to the extent provided by the Administrator. Notwithstanding the foregoing, any dividends or distributions on performance-based Restricted Stock or Restricted Stock Units shall be subject to the same performance-based vesting criteria and other restrictions on transferability as the underlying Restricted Stock (or Restricted Stock Units) with respect to which they were paid or distributed.

(f) *Termination of Employment*. The Award Agreement evidencing the grant of an Award of Restricted Stock or Restricted Stock Units shall set forth the terms and conditions applicable to such Award upon a Participant s Termination of Employment.

9. Deferral of Gains

The Administrator may, in an Award Agreement or otherwise, provide for the deferred delivery of Shares or cash upon settlement, vesting or other events with respect to Restricted Stock or Restricted Stock Units. Notwithstanding anything herein to the contrary, in no event will any deferral of the delivery of Shares or any other payment with respect to any Award be allowed if the Administrator determines that the deferral would result in the imposition of the additional tax under Section 409A(a)(1)(B) of the Code. The Company shall have no liability to a Participant, or any other party, if an Award that is intended to be exempt from, or compliant with, Section 409A of the Code is not so exempt or compliant or for any action taken by the Administrator.

To the extent any payment under this Plan is considered deferred compensation subject to the restrictions contained in Section 409A of the Code, such payment may not be made to a specified employee (as determined in accordance with a uniform policy adopted by the Company with respect to all arrangements subject to Section 409A of the Code) upon a separation from service (as defined for purposes of Section 409A of the Code) before the date that is six months after the specified employee s separation form service (or, if earlier, the specified employee s death). Any payment that would otherwise be made during this period of delay shall be accumulated and paid on the sixth month plus one day following the specified employee s separation from service (or, if earlier, as soon as administratively practicable after the specified employee s death).

10. Conditions and Restrictions Upon Securities Subject to Awards

The Administrator may provide that the Shares issued upon exercise of an Option or Stock Appreciation Right or otherwise subject to or issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Administrator in its discretion may specify prior to the exercise of such Option or Stock Appreciation Right or the grant, vesting or settlement of such Award, including, without limitation, conditions on vesting or transferability, forfeiture or repurchase provisions and method of payment for the Shares issued upon exercise, vesting or settlement of such Award (including, without limitation, the actual or constructive surrender of Shares already owned by the Participant) or payment of taxes arising in connection with an Award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued under an Award, including, without limitation (i) restrictions under an insider trading policy or pursuant to applicable law, (ii) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant and holders of other Company equity compensation arrangements, (iii) restrictions as to the use of a specified brokerage firm for such resales or other transfers and (iv) provisions requiring Shares to be sold on the open market or to the Company in order to satisfy tax withholding or other obligations.

11. Adjustment of and Changes in the Stock

The number and kind of Shares available for issuance under this Plan (including, without limitation, under any Awards then outstanding), and the number and kind of Shares subject to the individual limits set forth in Section 5 of this Plan, shall be equitably adjusted by the Administrator as it determines appropriate to reflect any reorganization, reclassification, combination or exchange of shares, repurchase of shares, stock split, reverse stock split, spin-off, dividend or other distribution of securities, property or cash (other than regular, quarterly cash dividends), or any other event or transaction that affects the number or kind of Shares of the Company outstanding. Such adjustment may be designed to comply with Section 425 of the Code or, except as otherwise expressly provided in Section 5(d) of this Plan, may be designed to treat the Shares available under the Plan and subject to Awards as if they were all outstanding on the record date for such event or transaction or to increase the number of such Shares to reflect a deemed reinvestment in Shares of the amount distributed to the Company s securityholders. The terms of any outstanding Award shall also be equitably adjusted by the Administrator as to price, number or kind of Shares subject to such Award, vesting, and other terms to reflect the foregoing events, which adjustments need not be uniform as between different Awards or different types of Awards.

In the event there shall be any other change in the number or kind of outstanding Shares, or any stock or other securities into which such Shares shall have been changed, or for which it shall have been exchanged, by reason of a Change in Control, other merger, consolidation or otherwise, then the Administrator shall, in its sole discretion, determine the appropriate and equitable adjustment, if any, to be effected. Without limiting the generality of the foregoing, in the event of any such change described in this paragraph, the Administrator may, in its sole discretion, (i) provide for the assumption or substitution of, or adjustment to, each outstanding Award; (ii) accelerate the vesting of and terminate any restrictions on outstanding Awards; (iii) provide for cancellation of accelerated Awards that are not exercised within a time prescribed by the Administrator; or (iv) provide for the cancellation of any outstanding Awards in exchange for a cash payment to the holders thereof.

No right to purchase fractional shares shall result from any adjustment in Awards pursuant to this Section 11. In case of any such adjustment, the Shares subject to the Award shall be rounded down to the nearest whole share. The Company shall notify Participants holding Awards subject to any adjustments pursuant to this Section 11 of such adjustment, but (whether or not notice is given) such adjustment shall be effective and binding for all purposes of the Plan.

12. Transferability

Unless the Administrator specifies otherwise and to the extent permitted under the General Instructions to Form S-8 under the Securities Act of 1933, as amended, an Award may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated by a Participant other than by will or the laws of descent and distribution, and each Option or Stock Appreciation Right shall be exercisable only by the Participant during his or her lifetime, and thereafter by the legal representative of the Participant s estate or the individual to whom such Award was transferred by the Participant s will or the laws of descent and distribution.

13. Compliance with Laws and Regulations

This Plan, the grant, issuance, vesting, exercise and settlement of Awards thereunder, and the obligation of the Company to sell, issue or deliver Shares under such Awards, shall be subject to all applicable foreign, federal, state and local laws, rules and regulations, stock exchange rules and regulations, and to such approvals by any governmental or regulatory agency as may be required. The Company shall not be required to register in a

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Participant s name or deliver any Shares prior to the completion of any registration or qualification of such shares under any foreign, federal, state or local law or any ruling or regulation of any government body which the Administrator shall determine to be necessary or advisable. To the extent the Company is unable to or the Administrator deems it infeasible to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company s counsel to be necessary to the lawful issuance and sale of any Shares hereunder, the Company and its Subsidiaries shall be relieved of any liability with respect to the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained. No Option or Stock Appreciation Right shall be exercisable and no Shares shall be issued and/or transferable under any other Award unless a registration statement with respect to the Shares underlying such Option or Stock Appreciation Right is effective and current or the Company has determined that such registration is unnecessary.

In the event an Award is granted to or held by a Participant who is employed or providing services outside the United States, the Administrator may, in its sole discretion, modify the provisions of the Plan or of such Award as they pertain to such individual to comply with applicable foreign law or to recognize differences in local law, currency or tax policy. The Administrator may also impose conditions on the grant, issuance, exercise, vesting, settlement or retention of Awards in order to comply with such foreign law and/or to minimize the Company s obligations with respect to tax equalization for Participants employed outside their home country.

14. Withholding

To the extent required by applicable federal, state, local or foreign law, a Participant shall be required to satisfy, in a manner satisfactory to the Company, any withholding tax obligations that arise by reason of an Option exercise, disposition of Shares issued under an Incentive Stock Option, the vesting of or settlement of an Award, an election pursuant to Section 83(b) of the Code or otherwise with respect to an Award. To the extent a Participant makes an election under Section 83(b) of the Code, within ten days of filing such election with the Internal Revenue Service, the Participant must notify the Company in writing of such election. The Company and its Subsidiaries shall not be required to issue Shares, make any payment or to recognize the transfer or disposition of Shares until such obligations are satisfied. The Administrator may provide for or permit these obligations to be satisfied through the mandatory or elective sale of Shares and/or by having the Company withhold a portion of the Shares that otherwise would be issued to him or her upon exercise of the Option or the vesting or settlement of an Award, or by tendering Shares previously acquired.

15. Administration of the Plan

(a) *Administrator of the Plan*. The Plan shall be administered by the Administrator who shall be the Compensation Committee of the Board or, in the absence of a Compensation Committee, the Board itself; provided, however, that with respect to Awards to Nonemployee Directors, the Administrator shall be the full Board. Any power of the Administrator may also be exercised by the Board, except to the extent that the grant or exercise of such authority would cause any Award or transaction to become subject to (or lose an exemption under) the short-swing profit recovery provisions of Section 16 of the Exchange Act. To the extent that any permitted action taken by the Board conflicts with action taken by the Administrator, the Board action shall control. The Administrator may by resolution authorize one or more officers of the Company to perform any or all things that the Administrator is authorized and empowered to do or perform under the Plan, and for all purposes under this Plan, such officer or officers shall be treated as the Administrator; provided, however, that the resolution so authorizing such officer or officers shall specify the total number of Awards (if any) such officer or officers may award pursuant to such delegated authority. No such officer shall designate himself or herself or any executive officer or director of the Company as a recipient of any Awards granted under authority delegated to such officer. In addition, the Administrator may delegate any or all aspects of the day-to-day administration of the Plan to one or more officers or employees of the Company or any of its Subsidiaries, and/or to one or more agents.

(b) *Powers of Administrator*. Subject to the express provisions of this Plan, the Administrator shall be authorized and empowered to do all things that it determines to be necessary or appropriate in connection with the administration of this Plan, including, without limitation: (i) to prescribe, amend and rescind rules and regulations relating to this Plan and to define terms not otherwise defined herein; (ii) to determine which persons

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are Participants, to which of such Participants, if any, Awards shall be granted hereunder and the timing of any such Awards; (iii) to grant Awards to Participants and determine the terms and conditions thereof, including, without limitation, the number of Shares subject to Awards and the exercise or purchase price of such Shares and the circumstances under which Awards become exercisable or vested or are forfeited or expire, which terms may but need not be conditioned upon the passage of time, continued employment, the satisfaction of performance criteria, the occurrence of certain events (including, without limitation, events which the Board or the Administrator determine constitute a Change of Control), or other factors; (iv) to establish and verify the extent of satisfaction of any performance goals or other conditions applicable to the grant, issuance, exercisability, vesting and/or ability to retain any Award; (v) to prescribe and amend the terms of the agreements or other documents evidencing Awards made under this Plan (which need not be identical) and the terms of or form of any document or notice required to be delivered to the Company by Participants under this Plan; (vi) to determine whether, and the extent to which, adjustments are required pursuant to Section 11; (vii) to interpret and construe this Plan, any rules and regulations under this Plan and the terms and conditions of any Award granted hereunder, and to make exceptions to any such provisions if the Administrator, in good faith, determines that it is necessary to do so in light of the circumstances and for the benefit of the Company; (viii) to approve corrections in the documentation or administration of any Award; (ix) subject to any limitations otherwise set forth in Section 16, waive, settle or adjust the terms of any Award so as to avoid unanticipated consequences, to implement the intent of the Award, or address unanticipated events (including, but not limited to, any temporary closure of an applicable stock exchange, disruption of communications or natural catastrophe); and (x) to make all other determinations deemed necessary or advisable for the administration of this Plan. The Administrator may, in its sole and absolute discretion, without amendment to the Plan, waive or amend the operation of Plan provisions respecting exercise after Termination of Employment or service to the Company or an affiliate and, except as otherwise provided herein, adjust any of the terms of any Award. Notwithstanding anything in the Plan to the contrary, other than in connection with a change in the Company s capitalization or other event or transaction described in Section 11, the terms of outstanding Awards may not be amended to (a) reduce the exercise price of outstanding Options or Stock Appreciation Rights or take any other action that is treated as a re-pricing under GAAP, or (b) at any time when the exercise price of an Option or Stock Appreciation Right is greater than the market value of a Share, cancel, exchange, buyout or surrender outstanding Options or Stock Appreciation Rights in exchange for cash, other awards or Options or Stock Appreciation Rights with an exercise price that is less than the exercise price of the original Options or Stock Appreciation Rights, without stockholder approval.

(c) *Determinations by the Administrator*. All decisions, determinations and interpretations by the Administrator regarding the Plan, any rules and regulations under the Plan and the terms and conditions of or operation of any Award granted hereunder, shall be final and binding on all Participants, beneficiaries, heirs, assigns or other persons holding or claiming rights under the Plan or any Award. The Administrator shall consider such factors as it deems relevant, in its sole and absolute discretion, to making such decisions, determinations and interpretations including, without limitation, the recommendations or advice of any officer or other employee of the Company and such attorneys, consultants and accountants as it may select.

(d) *Subsidiary Awards*. In the case of a grant of an Award to any Participant employed by a Subsidiary, such grant may, if the Administrator so directs, be implemented by the Company issuing any subject Shares to the Subsidiary, for such lawful consideration as the Administrator may determine, upon the condition or understanding that the Subsidiary will transfer the Shares to the Participant in accordance with the terms of the Award specified by the Administrator pursuant to the provisions of the Plan. Notwithstanding any other provision hereof, such Award may be issued by and in the name of the Subsidiary and shall be deemed granted on such date as the Administrator shall determine.

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16. Amendment of the Plan or Awards

The Board or the Compensation Committee of the Board may amend, alter or discontinue this Plan, and the Administrator may amend or alter any agreement or other document evidencing an Award made under this Plan but, except as provided pursuant to the provisions of Section 11, no such amendment shall, without the approval of the stockholders of the Company:

(a) increase the maximum number of Shares for which Awards may be granted under this Plan;

(b) whether before or after the date of grant, reduce the price at which Options or Stock Appreciation Rights may be exercised below the price provided for in Section 6(b) or Section 7;

(c) other than in connection with a change in the Company s capitalization or other event or transaction described in Section 11, amend the terms of outstanding Awards to (a) reduce the exercise price of outstanding Options or Stock Appreciation Rights or take any other action that is treated as a re-pricing under GAAP, or (b) at any time when the exercise price of an Option or Stock Appreciation Right is greater than the market value of a Share, cancel, exchange, buyout or surrender outstanding Options or Stock Appreciation Rights in exchange for cash, other awards or Options or Stock Appreciation Rights with an exercise price that is less than the exercise price of the original Options or Stock Appreciation Rights;

(d) extend the term of this Plan;

(e) change the class of persons eligible to be Participants;

(f) otherwise amend the Plan in any manner requiring stockholder approval by law or under the New York Stock Exchange listing requirements; or

(g) increase the individual maximum limits in Sections 5(d) and (e).

No amendment or alteration to the Plan or an Award or Award Agreement shall be made which would impair the rights of the holder of an Award, without such holder s consent, provided that no such consent shall be required if (i) the Administrator determines in its sole discretion and prior to the date of any change of control (as defined in the applicable Award Agreement) that such amendment or alteration either is required or advisable in order for the Company, the Plan or the Award to satisfy any law or regulation or stock exchange listing requirement or to meet the requirements of or avoid adverse financial accounting consequences under any accounting standard, or (ii) the Administrator determines in its sole discretion that such amendment or alteration is not reasonably likely to significantly diminish the benefits provided under the Award, or that any such diminution has been adequately compensated.

17. No Liability of Company

D.R. Horton, Inc., the Company and their respective Subsidiaries and affiliates which are in existence or hereafter come into existence shall not be liable to a Participant or any other person as to: (i) the non-issuance or sale of Shares as to which the Company has been unable to obtain from any regulatory body having jurisdiction the authority deemed by the Company s counsel to be necessary to the lawful issuance and sale of any Shares hereunder; and (ii) any tax consequence expected, but not realized, by any Participant or other person due to the receipt, exercise or settlement of any Award granted hereunder.

18. Non-Exclusivity of Plan

Neither the adoption of this Plan by the Board nor the submission of this Plan to the stockholders of the Company for approval shall be construed as creating any limitations on the power of the Board or the Administrator to adopt such other incentive arrangements as either may deem desirable, including, without limitation, the granting of cash or equity-based compensation awards otherwise than under this Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

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19. Governing Law

This Plan and any agreements or other documents hereunder shall be interpreted and construed in accordance with the laws of the Delaware and applicable federal law. Any reference in this Plan or in the agreement or other document evidencing any Awards to a provision of law or to a rule or regulation shall be deemed to include any successor law, rule or regulation of similar effect or applicability.

20. No Right to Employment, Reelection or Continued Service

Nothing in this Plan or an Award Agreement shall interfere with or limit in any way the right of D.R. Horton, Inc., the Company, their respective Subsidiaries and/or their respective affiliates to terminate any Participant s employment, service on the Board or service for D.R. Horton, Inc., the Company, or their respective Subsidiaries at any time or for any reason not prohibited by law, nor shall this Plan or an Award itself confer upon any Participant any right to continue his or her employment or service for any specified period of time. Neither an Award nor any benefits arising under this Plan shall constitute an employment contract with D.R. Horton, Inc., the Company, or their respective Subsidiaries or affiliates. Subject to Sections 4 and 16, this Plan and the benefits hereunder may be terminated at any time in the sole and exclusive discretion of the Board or the Compensation Committee of the Board without giving rise to any liability on the part of D.R. Horton, Inc., the Company, or their respective Subsidiaries or affiliates.

21. Unfunded Plan

The Plan is intended to be an unfunded plan. Participants are and shall at all times be general creditors of the Company with respect to their Awards. If the Administrator or the Company chooses to set aside funds in a trust or otherwise for the payment of Awards under the Plan, such funds shall at all times be subject to the claims of the creditors of the Company in the event of its bankruptcy or insolvency.

22. Recoupment Policy

Subject to the terms and conditions of the Plan, the Administrator may provide that any Participant and/or any Award, including any Shares subject to an Award, will be subject to any recovery, recoupment, clawback and/or other forfeiture policy maintained by the Company from time to time. Further, to the extent any policy adopted by New York Stock Exchange (or any other exchange on which the securities of the Company are listed) pursuant to Section 10D of the Exchange Act requires the repayment of incentive-based compensation received by a Participant, whether paid pursuant to an Award granted under this Plan or any other plan of incentive-based compensation maintained in the past or adopted in the future by the Company, by accepting an Award under this Plan, the Participant agrees to the repayment of such amounts to the extent required by such policy and applicable law.

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FORESTAR GROUP INC.

10700 PECAN PARK BLVD., SUITE 150

AUSTIN, TEXAS 78750

ATTN: CORPORATE SECRETARY

VOTE BY INTERNET - www.proxyvote.com
Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS
If you would like to reduce the costs incurred by our company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

VOTE BY PHONE - 1-800-690-6903
Use any touch-tone telephone to transmit your voting instructions. up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL
Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

KEEP THIS PORTION FOR YOUR RECORDS

DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

The Board of Directors recommends you vote FOR each of the following

director nominees:

1. Election of Directors

Nominees	**For**	**Against**	**Abstain**
1A Samuel R. Fuller			
1B M. Ashton Hudson			
1C G.F. (Rick) Ringler, III			
1D Donald C. Spitzer			
1E Donald J. Tomnitz			

NOTE: Such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors recommends you vote FOR the following proposals 2, 3 and 4:	**For**	**Against**	**Abstain**
2. Advisory approval of Forestar s executive compensation.			
3. Approval of Forestar s 2018 Stock Incentive Plan.			
4. Ratification of the Audit Committee s appointment of Ernst & Young LLP as Forestar s independent registered public accounting firm for the fiscal year 2018.			

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

Signature [PLEASE SIGN WITHIN BOX]	Date	Signature (Joint Owners)	Date

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Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting: The Notice & Proxy Statement, Annual Report is/are available at www.proxyvote.com

FORESTAR GROUP INC.
Annual Meeting of Stockholders
May 8, 2018 11:00 AM
This proxy is solicited by the Board of Directors

The stockholders(s) hereby appoint Donald J. Tomnitz and Charles D. Jehl, or either of them, as proxies, each with the power to appoint his substitute, and hereby authorizes them to represent and to vote, as designated on the reverse side of this ballot, all of the shares of common stock of FORESTAR GROUP INC. that the stockholder(s) is/are entitled to vote at the Annual Meeting of Stockholders to be held at 11:00 AM, CDT on May 8, 2018, at 10700 Pecan Park Blvd., Suite 150, Austin, Texas 78750, and any adjournment or postponement thereof.

This proxy, when properly executed, will be voted in the manner directed herein. If no such direction is made, this proxy will be voted in accordance with the Board of Directors recommendations.

Continued and to be signed on reverse side