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BUCKLE INC
Form 10-Q/A
April 20, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q/A
(Amendment No. 1)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended OCTOBER 30, 2004

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from _____ to _____

Commission File Number: 001-12951

THE BUCKLE, INC.
(Exact name of Registrant as specified in its charter)

NEBRASKA
(State or other jurisdiction of
incorporation or organization)

47-0366193
(I.R.S. Employer
Identification No.)

2407 WEST 24TH STREET, KEARNEY, NEBRASKA
(Address of principal executive offices)

68845-4915
(Zip Code)

Registrant's telephone number, including area code: (308) 236-8491

(Former name, former address and former fiscal year if changed since last
report)

Indicate by check mark whether the Registrant (1) has filed all reports required
to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during
the preceding 12 months (or for such shorter period that the Registrant was
required to file such reports), and (2) has been subject to such filing
requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is an accelerated filer (as
defined in Rule 12b-2 of the Act). Yes No

The number of shares issued of the Registrant's Common Stock, outstanding as of
December 1, 2004 was 21,619,290 shares of Common Stock.

EXPLANATORY NOTE

This Amendment No. 1 to The Buckle, Inc.'s (the "Company") Quarterly Report on
Form 10-Q/A ("Form 10-Q/A") is being filed in order to correct the previously
issued financial statements for the quarterly period ended October 30, 2004,
initially filed with the Securities and Exchange Commission (the "SEC") on
December 7, 2004 (the "Original Filing"). The corrections are to properly
account for landlord construction allowances in accordance with Statement of

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Financial Accounting Standards No.13, "Accounting for Leases" and Financial Accounting Standards Board Technical Bulletin No. 88-1, "Issues Relating to Accounting for Leases"; and rent holidays in accordance with Financial Accounting Standards Board Technical Bulletin No. 85-3, "Accounting for Operating Leases with Scheduled Rent Increases." See Note 2: "Restatement and Reclassification of Financial Statements" under Notes to Financial Statements included in Item 1, "Financial Statements" of this Form 10-Q/A for additional discussion and a summary of the effect of these changes on the Company's financial statements as of October 30, 2004 and January 31, 2004 and for the interim periods ended October 30, 2004 and November 1, 2003.

This Form 10-Q/A amends and restates only Items 1, 2 and 4 of Part I and Item 6 of Part II of the Original Filing to reflect the effects of this restatement of our financial statements for the period presented or as deemed necessary in connection with the completion of restated financial statements. The remaining Items contained within this Amendment No. 1 on Form 10-Q/A consist of all other Items originally contained on Form 10-Q for the fiscal quarter ended October 30, 2004. These remaining Items are not amended hereby, but are included for the convenience of the reader. Except for the forgoing amended information, this Form 10-Q/A continues to describe conditions as of the date of the Original Filing, and we have not updated the disclosures contained herein to reflect events that occurred at a later date.

In connection with the preparation of this Form 10-Q/A, the Company concluded that it was appropriate to reclassify certain store operating liabilities to/from gift certificates redeemable and employee compensation. Accordingly, we have revised the classification to report these changes on the balance sheets as of October 30, 2004 and January 31, 2004. The Company has also made corresponding adjustments to the statements of cash flows for the periods ended October 30, 2004 and November 1, 2003, to reflect these reclassifications. See Note 2: "Restatement and Reclassification of Financial Statements" under Notes to Financial Statements included in Item 1, "Financial Statements " of this Form 10-Q/A for additional discussion on the effects of the change in classification.

2

THE BUCKLE, INC.

FORM 10-Q/A

INDEX

	Pages

Part I. Financial Information (unaudited)	
Item 1. Financial Statements	4
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	12
Item 3. Quantitative and Qualitative Disclosures About Market Risk	19
Item 4. Controls and Procedures	19
Part II. Other Information	
Item 1. Legal Proceedings	21

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Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	21
Item 3.	Defaults Upon Senior Securities	21
Item 4.	Submission of Matters to a Vote of Security Holders	21
Item 5.	Other Information	21
Item 6.	Exhibits	21
	Signatures	22

3

THE BUCKLE, INC.
BALANCE SHEETS
(Columnar amounts in thousands)
(Unaudited)

	October 30, 2004 (As Restated, see Note 2)	January 31, 2004 (As Restated, see Note 2)
	-----	-----
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 123,473	\$ 119,976
Investments	26,578	23,346
Accounts receivable, net of allowance of \$118,000 and \$181,000, respectively	2,173	3,585
Inventory	94,719	61,156
Prepaid expenses and other assets	5,211	9,083
	-----	-----
Total current assets	252,154	217,146
PROPERTY AND EQUIPMENT	176,587	169,453
Less accumulated depreciation and amortization	92,615	85,550
	-----	-----
	83,972	83,903
LONG-TERM INVESTMENTS	46,521	52,647
OTHER ASSETS	2,382	2,526
	-----	-----
	\$ 385,029	\$ 356,222
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 16,145	\$ 14,207
Accrued employee compensation	10,929	11,890
Accrued store operating expenses	5,124	3,833
Gift certificates redeemable	2,779	3,778
Income taxes payable	8,658	2,760
	-----	-----
Total current liabilities	43,635	36,468
DEFERRED COMPENSATION	1,689	1,467

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DEFERRED RENT LIABILITY	24,963	24,442
	-----	-----
Total liabilities	70,287	62,377
COMMITMENTS		
STOCKHOLDERS' EQUITY		
Common stock, authorized 100,000,000 shares of \$.01 par value; issued 21,549,690 and 21,484,316 shares, respectively	215	215
Additional paid-in capital	23,906	24,245
Retained earnings	291,306	272,125
Unearned compensation - restricted stock	(685)	(2,740)
	-----	-----
Total stockholders' equity	314,742	293,845
	-----	-----
	\$ 385,029	\$ 356,222
	=====	=====

See notes to financial statements.

4

THE BUCKLE, INC.
STATEMENTS OF INCOME
(Amounts in thousands, except per share data)
(Unaudited)

	Thirteen Weeks Ended		Thirty-nine Weeks	
	October 30, 2004 (As Restated, see Note 2)	November 1, 2003 (As Restated, see Note 2)	October 30, 2004 (As Restated, see Note 2)	Nov (As see
	-----	-----	-----	-----
SALES, net of returns and allowances	\$ 133,722	\$ 121,325	\$ 325,344	\$
COST OF SALES (including buying, distribution and occupancy costs)	81,531	77,706	212,697	
	-----	-----	-----	-----
Gross profit	52,191	43,619	112,647	
	-----	-----	-----	-----
OPERATING EXPENSES:				
Selling	24,785	21,353	61,518	
General and administrative	4,814	3,822	12,564	
	-----	-----	-----	-----
	29,599	25,175	74,082	
	-----	-----	-----	-----
Income from operations	22,592	18,444	38,565	
OTHER INCOME, Net	910	776	2,653	
	-----	-----	-----	-----
Income before income taxes	23,502	19,220	41,218	
PROVISION FOR INCOME TAXES	8,624	7,053	15,135	

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	-----	-----	-----	-----
NET INCOME	\$ 14,878	\$ 12,167	\$ 26,083	\$
	=====	=====	=====	=====
Per share amounts:				
Basic income per share	\$ 0.70	\$ 0.57	\$ 1.22	\$
Diluted income per share	\$ 0.67	\$ 0.56	\$ 1.18	\$
Basic weighted average shares	21,357	21,207	21,377	
Diluted weighted average shares	22,132	21,682	22,177	

See notes to financial statements

5

THE BUCKLE, INC.
STATEMENTS OF CASH FLOWS
(Amounts in thousands)
(Unaudited)

	Thirty-nine Weeks Ended	
	October 30, 2004 (As Restated, see Note 2)	November 1, (As Restated, see Note 2)
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 26,083	\$ 18,7
Adjustments to reconcile net income to net cash flows from operating activities		
Depreciation	11,913	11,5
Loss on disposal of assets	303	6
Deferred taxes	(55)	(
Amortization of unearned compensation-restricted stock	2,054	8
Changes in operating assets and liabilities		
Accounts receivable	1,412	(2,2
Inventory	(33,563)	(24,0
Prepaid expenses and other assets	3,871	(1,1
Accounts payable	1,938	4,7
Accrued employee compensation	(961)	(4,0
Accrued store operating expenses	1,291	(
Gift certificates redeemable	(999)	(1
Income taxes payable	5,898	5,9
Long-term liabilities and deferred compensation	743	3,3
	-----	-----
Net cash flows from operating activities	19,928	13,9
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(17,837)	(24,4
Proceeds from sales and maturities of investments	20,731	22,6
Purchase of property and equipment	(12,285)	(16,0
Change in other assets	200	1
	-----	-----
Net cash flows used in investing activities	(9,191)	(17,6
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the exercise of stock options	3,121	1,5
Purchases of common stock	(3,460)	(1,4

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Dividends paid to stockholders	(6,901)	(2,1
	-----	-----
Net cash flows used in financing activities	(7,240)	(1,9
	-----	-----
Net increase/(decrease) in cash and cash equivalents	3,497	(5,6
Cash and cash equivalents, Beginning of period	119,976	92,9
	-----	-----
Cash and cash equivalents, End of period	\$ 123,473	\$ 87,3
	=====	=====

See notes to financial statements.

THE BUCKLE, INC.
NOTES TO FINANCIAL STATEMENTS
THIRTEEN AND THIRTY-NINE WEEKS ENDED
OCTOBER 30, 2004 AND NOVEMBER 1, 2003
(Unaudited)

1. Management Representation - The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments necessary for a fair presentation of the results of operations for the interim periods have been included. Adjustments are of a normal recurring nature, except for adjustments required to make lease-related corrections, per Note 2 below. Because of the seasonal nature of the business, results for interim periods are not necessarily indicative of a full year's operations. The accounting policies followed by the Company and additional footnotes are reflected in the financial statements for the fiscal year ended January 31, 2004, included in The Buckle, Inc.'s 2003 Form 10-K/A.

2. Restatement of Financial Statements - On February 7, 2005, the Office of the Chief Accountant of the Securities and Exchange Commission (SEC) issued a letter to the American Institute of Certified Public Accountants expressing its views regarding certain operating lease-related accounting issues and their application under generally accepted accounting principles in the United States of America (GAAP). In light of this letter, the Company's management initiated a review of its lease accounting and determined that its then current method of accounting for leasehold improvements funded by landlord incentives or allowances under operating leases (tenant improvement allowances) and its then current method of accounting for rent holidays were not in accordance with GAAP. As a result, the Company restated its financial statements for each of the fiscal periods of 2004 and 2003 included in this report.

The Company had historically accounted for tenant improvement allowances as reductions to the related leasehold improvement asset on the balance sheets and capital expenditures in investing activities on the statements of cash flows. Management determined that Financial Accounting Standards Board (FASB) Technical Bulletin No. 88-1, Issues Relating to Accounting for Leases, requires these allowances to be recorded as deferred rent liabilities on the balance sheets and as a component of operating

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activities on the statements of cash flows.

For leases initiated in fiscal 2000 and forward, the Company recognized rent holiday periods on a straight-line basis over the lease term commencing with the opening date of the retail stores. The store opening date coincided with the commencement of business operations, which corresponds to the intended use of the property. Management re-evaluated FASB Technical Bulletin No. 85-3, Accounting for Operating Leases with Scheduled Rent Increases, and determined that the lease term should commence on the date the Company takes possession of the leased space for construction purposes, which is generally three months prior to a store opening date.

7

THE BUCKLE, INC.
 NOTES TO FINANCIAL STATEMENTS
 THIRTEEN AND THIRTY-NINE WEEKS ENDED
 OCTOBER 30, 2004 AND NOVEMBER 1, 2003
 (Unaudited)

Following is a summary of the effects of the restatement on the Company's balance sheet as of October 30, 2004 and the Company's statements of income and cash flows for each of the thirteen and thirty-nine week periods ending October 30, 2004 and November 1, 2003.

Balance Sheets				
October 30, 2004	As previously reported	Reclassifications	Adjustments	As Restate
Prepaid expenses and other assets	\$ 5,692	\$ -	\$ (481)	\$ 5,211
Property and equipment, net	66,310	-	17,662	83,972
Other assets	1,107	-	1,275	2,382
Accrued employee compensation	11,204	(275)	-	10,929
Accrued store operating expenses	6,925	(593)	(1,208)	5,124
Gift certificates redeemable	1,911	868	-	2,779
Deferred rent liability	-	-	24,963	24,963
Deferred tax liability	1,490	-	(1,490)	-
Retained earnings	295,115	-	(3,809)	291,306

Certain reclassifications have been made to accrued employee compensation, accrued store operating expenses and gift certificates redeemable to provide a more accurate reporting of gift certificates redeemable from layaway returns and the reserve account for health insurance claims, as shown above, to more consistently report such liabilities on the balance sheets of the Company.

8

THE BUCKLE, INC.
 NOTES TO FINANCIAL STATEMENTS
 THIRTEEN AND THIRTY-NINE WEEKS ENDED
 OCTOBER 30, 2004 AND NOVEMBER 1, 2003
 (Unaudited)

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Statements of Income

Thirteen weeks ended October 30, 2004	As previously reported	Adjustments	As restated
Cost of sales	\$ 81,480	\$ 51	\$ 81,531
Income from operations	22,643	(51)	22,592
Income before income taxes	23,553	(51)	23,502
Provision for income taxes	8,643	(19)	8,624
Net income	14,910	(32)	14,878
Earnings per share - basic	\$ 0.70	\$ -	\$ 0.70
Earnings per share - diluted	\$ 0.67	\$ -	\$ 0.67
Thirteen weeks ended November 1, 2003			
Cost of sales	\$ 77,680	\$ 26	\$ 77,706
Income from operations	18,470	(26)	18,444
Income before income taxes	19,246	(26)	19,220
Provision for income taxes	7,063	(10)	7,053
Net income	12,183	(16)	12,167
Earnings per share - basic	\$ 0.57	\$ -	\$ 0.57
Earnings per share - diluted	\$ 0.56	\$ -	\$ 0.56
Thirty-nine weeks ended October 30, 2004			
Cost of sales	\$212,545	\$ 152	\$212,697
Income from operations	38,717	(152)	38,565
Income before income taxes	41,370	(152)	41,218
Provision for income taxes	15,190	(55)	15,135
Net income	26,180	(97)	26,083
Earnings per share - basic	\$ 1.22	\$ -	\$ 1.22
Earnings per share - diluted	\$ 1.18	\$ -	\$ 1.18
Thirty-nine weeks ended November 1, 2003			
Cost of sales	\$197,609	\$ 77	\$197,686
Income from operations	26,802	(77)	26,725
Income before income taxes	29,650	(77)	29,573
Provision for income taxes	10,885	(28)	10,857
Net income	18,765	(49)	18,716
Earnings per share - basic	\$ 0.89	\$ -	\$ 0.89
Earnings per share - diluted	\$ 0.87	\$ -	\$ 0.87

Statements of Cash Flows

Thirty-nine weeks ended October 30, 2004	As previously reported	Adjustments	As restated
Net cash flows from operating activities	\$ 17,582	\$ 2,346	\$ 19,928
Net cash flows from investing activities	(6,845)	(2,346)	(9,191)
Thirty-nine weeks ended November 1, 2003			
Net cash flows from operating activities	\$ 9,490	\$ 4,499	\$ 13,989
Net cash flows from investing activities	(13,143)	(4,499)	(17,642)

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THE BUCKLE, INC.
 NOTES TO FINANCIAL STATEMENTS
 THIRTEEN AND THIRTY-NINE WEEKS ENDED
 OCTOBER 30, 2004 AND NOVEMBER 1, 2003
 (Unaudited)

3. Stock-Based Compensation - The Company has three stock option plans which allow for granting of stock options to employees and directors, as described more fully in the notes included in the Company's 2003 Annual Report. A total of 3,225,000 shares of common stock are authorized for grants under such plans as of October 30, 2004; of these authorized shares, 308,797 shares were available for grant under the various plans, of which 187,700 were available to executive officers. The Company accounts for those plans under the recognition and measurement principles of APB Opinion No. 25, Accounting for Stock Issued to Employees, and related interpretations. The stock-based compensation expense reflected in net income is the result of the issuance of 169,840 shares of restricted stock on June 26, 2003. There is no recorded expense from the issuance of stock options, as all options granted under the various plans had an exercise price equal to the market value of the common stock on the date of grant. The following table illustrates the effect of the restricted stock expense on net income and the impact on net income and earnings per share if the Company had applied the fair value recognition provisions of FASB Statement No. 123, Accounting for Stock-Based Compensation, to stock-based employee compensation.

	Thirteen Weeks Ended		Thirty-ni
	Oct 30, 2004	Nov. 1, 2003	Oct. 30, 2
	-----	-----	-----
Net income (as restated, see Note 2)	\$ 14,878	\$ 12,167	\$ 26,083
Add: Stock-based employee compensation expense included in reported net income, net of related tax effects	434	377	1,290
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	(884)	(1,053)	(3,142)
	-----	-----	-----
Pro forma net income	\$ 14,428	\$ 11,491	\$ 24,231
	=====	=====	=====
Earnings per share:			
Basic - as reported (as restated, see Note 2)	\$.70	\$.57	\$ 1.22
	=====	=====	=====
Basic - pro forma	\$.68	\$.54	\$ 1.13
	=====	=====	=====
Diluted - as reported (as restated, see Note 2)	\$.67	\$.56	\$ 1.18
	=====	=====	=====
Diluted - pro forma	\$.65	\$.53	\$ 1.09
	=====	=====	=====

4. Reclassifications - Certain reclassifications have been made to the

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balance sheet amounts as reported to consistently reflect the Company's current classifications of assets and liabilities.

5. Description of the Business - The Company is a retailer of medium to better priced casual apparel, footwear and accessories for fashion conscious young men and women. The Company operates their business as one reportable industry segment. The Company had 327 stores located in 38 states throughout the central, northwestern and southern regions of the United States as of October 30, 2004, and 319 stores in 38 states as of November 1, 2003. During the third quarter of fiscal 2004, the Company opened three new stores and substantially renovated one store. During the third quarter of fiscal 2003, the Company opened six new stores and substantially renovated two stores.

10

THE BUCKLE, INC.
 NOTES TO FINANCIAL STATEMENTS
 THIRTEEN AND THIRTY-NINE WEEKS ENDED
 OCTOBER 30, 2004 AND NOVEMBER 1, 2003
 (Unaudited)

The following is information regarding the Company's major product lines, stated as a percentage of the Company's net sales:

Merchandise Group	Percentage of Net Sales Thirteen Weeks Ended		Percentage of Net Sales Thirty-nine Weeks Ended	
	Oct. 30, 2004	Nov. 1, 2003	Oct. 30, 2004	Nov. 1, 2003
Denims	43.8%	39.6%	39.0%	35.3%
Tops (incl. sweaters)	32.1%	31.4%	32.2%	32.3%
Accessories	10.0%	10.1%	10.9%	10.0%
Footwear	7.3%	8.2%	7.9%	9.6%
Outerwear	3.3%	4.6%	1.6%	2.3%
Casual bottoms	2.3%	5.1%	2.4%	3.9%
Sportswear/Fashions	1.1%	1.0%	6.0%	6.5%
Other	0.1%	0.0%	0.0%	0.1%
	-----	-----	-----	-----
	100.0%	100.0%	100.0%	100.0%
	=====	=====	=====	=====

6. Net Income Per Share - Basic earnings per share data are based on the weighted average outstanding common shares during the period. Diluted earnings per share data are based on the weighted average outstanding common shares and the effect of all dilutive potential common shares, including stock options. Options to purchase 179,835 and 1,002,750 shares of common stock for the periods ended October 30, 2004 and November 1, 2003, respectively, are not included in the computation of diluted earnings per share because the options would be considered anti-dilutive.

Thirteen Weeks Ended
 October 30, 2004

Thirteen Weeks Ended
 November 1, 2003

 Per Share

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	Income	Shares	Amount	Income	Shares
	-----	-----	-----	-----	-----
Basic EPS					
Net Income	\$14,878	21,357	\$ 0.70	\$12,167	21,207
Effect of Dilutive Securities					
Stock Options	-	775	(.03)	-	475
	-----	-----	-----	-----	-----
Diluted EPS	\$14,878	22,132	\$ 0.67	\$12,167	21,682
	=====	=====	=====	=====	=====

	Thirty-nine Weeks Ended October 30, 2004			Thirty-nine Weeks November 1, 2004	
	Income	Shares	Per Share Amount	Income	Shares
	-----	-----	-----	-----	-----
Basic EPS					
Net Income	\$26,083	21,377	\$ 1.22	\$18,716	21,091
Effect of Dilutive Securities					
Stock Options	-	800	(.04)	-	512
	-----	-----	-----	-----	-----
Diluted EPS	\$26,083	22,177	\$ 1.18	\$18,716	21,603
	=====	=====	=====	=====	=====

11

THE BUCKLE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the Financial Statements and notes thereto of the Company included in this Form 10-Q/A. The following is management's discussion and analysis of certain significant factors which have affected the Company's financial condition and results of operations during the periods included in the accompanying financial statements.

RESTATEMENT OF FINANCIAL STATEMENTS

On February 7, 2005, the Office of the Chief Accountant of the Securities and Exchange Commission (SEC) issued a letter to the American Institute of Certified Public Accountants expressing its views regarding certain operating lease-related accounting issues and their application under generally accepted accounting principles in the United States of America (GAAP). In light of this letter, the Company's management initiated a review of its lease accounting and determined that its then current method of accounting for leasehold improvements funded by landlord incentives or allowances under operating leases (tenant improvement allowances) and its then current method of accounting for rent holidays were not in accordance with GAAP. As a result, the Company restated its financial statements for each of the fiscal periods of 2004 and 2003 included in this report.

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The Company had historically accounted for tenant improvement allowances as reductions to the related leasehold improvement asset on the balance sheets and as capital expenditures in investing activities on the statements of cash flows. Management determined that Financial Accounting Standards Board (FASB) Technical Bulletin No. 88-1, Issues Relating to Accounting for Leases, requires these allowances to be recorded as deferred rent liabilities on the consolidated balance sheets and as a component of operating activities on the statements of cash flows.

For leases initiated in fiscal 2000 and forward, the Company recognized rent holiday periods on a straight-line basis over the lease term commencing with the opening date of the retail stores. The store opening date coincided with the commencement of business operations, which corresponds to the intended use of the property. Management re-evaluated FASB Technical Bulletin No. 85-3, Accounting for Operating Leases with Scheduled Rent Increases, and determined that the lease term should commence on the date the Company takes possession of the leased space for construction purposes, which is generally approximately three months prior to a store opening date.

See Note 2 to the financial statements for a summary of the effects of the restatement on the Company's balance sheet as of October 30, 2004 and the Company's statements of income and cash flows for thirteen and thirty-nine week periods ended October 30, 2004 and November 1, 2003. The accompanying Management's Discussion and Analysis gives effect to these corrections.

EXECUTIVE OVERVIEW

Company management considers the following items to be key performance indicators in evaluating Company performance.

Comparable Store Sales - Stores are deemed to be comparable stores if they were open in the prior year on the first day of the fiscal period being presented and were open for the full fiscal period in both the current and prior year. Stores which have been remodeled, expanded and/or relocated, but would otherwise be included as comparable stores, are not excluded from the comparable store sales calculation. Management considers comparable store sales to be an important indicator of current company performance, helping provide positive operating leverage for certain fixed costs when results are positive. Negative comparable store sales results could reduce net sales and have a negative impact on operating leverage, thus reducing net earnings.

12

THE BUCKLE, INC. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Beginning with the four-week period ended May 1, 2004, the Company changed its method of reporting comparable store sales to exclude internet sales. Comparable store sales reported for all periods subsequent to that date reflect the impact of this change. The impact of internet sales on comparable store sales results for all prior periods was immaterial.

Net Merchandise Margins - Management evaluates the components of merchandise margin including initial markup and the amount of markdowns during a period. Any inability to obtain acceptable levels of initial markups or any significant increase in the Company's use of markdowns, could have an adverse effect on the Company's gross margin and results of operations.

Operating Margin - Operating margin is a good indicator for management of the Company's success. Operating margin can be positively or negatively affected by

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comparable store sales, merchandise margins, occupancy costs and the Company's ability to control operating costs.

Cash Flow and Liquidity (working capital) - Management reviews current cash and short-term investments along with cash flow from operating, investing and financing activities to determine the Company's short-term cash needs for operations and expansion. The Company believes that existing cash and cash flow from operations will be sufficient to fund current and long-term anticipated capital expenditures and working capital requirements for the next several years.

RESULTS OF OPERATIONS

The table below sets forth the percentage relationships of sales and various expense categories in the Statements of Income for each of the thirteen and thirty-nine week periods ended October 30, 2004, and November 1, 2003:

THE BUCKLE, INC. RESULTS OF OPERATIONS

	Percentage of Net Sales			Percentage of Net Sales		
	Thirteen weeks ended Oct. 30, 2004	Nov. 1, 2003	Percentage increase (decrease)	Thirty-nine weeks ended Oct. 30, 2004	Nov. 1, 2003	Percent increa (decrea
Net sales	100.0%	100.0%	10.2%	100.0%	100.0%	12.7%
Cost of sales (including buying, distribution and occupancy costs)	61.0%	64.0%	4.9%	65.4%	68.5%	7.6%
Gross profit	39.0%	36.0%	19.7%	34.6%	31.5%	23.7%
Selling expenses	18.5%	17.6%	16.1%	18.9%	18.8%	13.3%
General and administrative expenses	3.6%	3.2%	26.0%	3.9%	3.5%	25.7%
Income from operations	16.9%	15.2%	22.5%	11.9%	9.3%	44.3%
Other income, net	0.7%	0.6%	17.2%	0.8%	1.0%	(6.8)%
Income before income taxes	17.6%	15.8%	22.3%	12.6%	10.2%	39.4%
Provision for income tax	6.5%	5.8%	22.3%	4.6%	3.7%	39.4%
Net income	11.1%	10.0%	22.3%	8.0%	6.5%	39.4%
	=====	=====	=====	=====	=====	=====

Net sales increased from \$121.3 million in the third quarter of fiscal 2003 to \$133.7 million in the third quarter of fiscal 2004, a 10.2% increase. Comparable store sales increased from the third quarter of fiscal 2003 to the third quarter of fiscal 2004 by \$6.0 million or 5.1%. The comparable store sales increase resulted partially from a 0.9% increase in the average price per piece of merchandise sold compared with the fiscal 2003 third quarter.

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FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Net sales increased from \$288.7 million in the first nine months of fiscal 2003 to \$325.3 million for the first nine months of fiscal 2004, a 12.7% increase. Comparable store sales for the thirty-nine weeks ended October 30, 2004 compared to the thirty-nine weeks ended November 1, 2003 increased \$20.9 million or 7.5%. The comparable store sales increase resulted partially from a 1.2% increase in the average price per piece of merchandise sold compared with the first thirty-nine weeks of fiscal 2003. Sales growth for this thirty-nine week period was also attributable to the inclusion of a full nine months of operating results for the 16 stores opened in 2003 and the opening of 11 new stores in the first thirty-nine weeks of fiscal 2004.

The Company's increase in the average price per piece of merchandise sold (as stated above) during the third quarter and year-to-date was primarily attributable to the following changes: an increase in the average price of accessories of 6.9% and an increase denim price points of approximately 4.5%, partially offset by decreases average prices in fashion wear of 8.1%, decrease in outerwear price points of 17.1%, and decreased average prices in footwear of 4.8%. The average price points for the remaining merchandise categories remained even with the prior year. These changes are primarily a reflection of merchandise shifts in terms of brands, product styles, fabrics, details and finishes. Average sales per square foot increased 7.4% from \$188 to \$202 for the nine months ended October 30, 2004.

Gross profit after buying, occupancy and distribution expenses increased \$8.6 million in the third quarter of fiscal 2004 to \$52.2 million, a 19.7% increase. As a percentage of net sales, gross profit was 39.0% in the third quarter of fiscal 2004 versus 36.0% in the third quarter of fiscal 2003. Gross profit increased \$21.6 million for the first thirty-nine weeks of fiscal 2004 to \$112.6 million, a 23.7% increase. As a percentage of net sales, gross profit in the first nine months increased from 31.5% for fiscal 2003, to 34.6% for fiscal 2004. Increases in gross profit, as a percentage of net sales, for both the three and nine month periods of fiscal 2004 compared to the same periods of fiscal 2003 resulted primarily from improvement in actual merchandise margins of 2.0% and 1.7%, respectively. This improvement was achieved through fewer markdowns, timely sell-throughs on new products and an increase in sales of private label merchandise which has higher margins. Additional improvements came from occupancy costs which decreased as a percentage of net sales by 0.9% and 1.2% for the third quarter and year-to-date, respectively, and distribution costs which decreased by 0.3% for each the three and nine-month periods reported due to leverage provided by growth in comparable store sales for the periods.

Selling expense increased from \$21.4 million in the third quarter of fiscal 2003 to \$24.8 million for the third quarter of fiscal 2004, a 16.1% increase. Selling expenses as a percentage of net sales increased from 17.6% for the third quarter of fiscal 2003 to 18.5% for the third quarter of fiscal 2004. Year-to-date selling expense rose 13.3% from \$54.3 million through the first nine months of fiscal 2003 to \$61.5 million for the first nine months of fiscal 2004. As a percentage of net sales, selling expense in the first nine months increased from 18.8% for fiscal 2003, to 18.9% for fiscal 2004. As a percentage of net sales, the increases in selling expense for both the three and nine month periods were primarily attributable to higher bonus accruals for year-end incentives based upon growth in comparable store sales, growth in gross margin and growth in net income. This resulted in additional expense of 1.2% and 0.8% for the three and nine months, respectively. This increase was partially offset by slight reductions in discretionary spending for advertising (down 0.1% each period) and store and meeting travel (down 0.2% each period).

General and administrative expenses increased from \$3.8 million in the third quarter of fiscal 2003 to \$4.8 million for the third quarter of fiscal 2004, a 26.0% increase. As a percentage of net sales, general and administrative

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expenses increased from 3.2% for the third quarter of fiscal 2003 to 3.6% for the third quarter of fiscal 2004. For the first nine months of fiscal 2004, general and administrative expense rose 25.7% from \$10.0 million for the nine months ended November 1, 2003, to \$12.6 million for the nine months ended October 30, 2004. As a percentage of net sales, general and administrative expense increased to 3.9% for the first nine months of fiscal 2004 compared to 3.5% for the first nine months of fiscal 2003. The increase in general and administrative expense, as a percentage of net sales, for the three months ended October 30, 2004, compared to the same period of fiscal 2003, resulted primarily from a higher bonus accrual for year-end

14

THE BUCKLE, INC. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

incentives based upon growth in comparable store sales, gross margin and net income (0.4% increase). The increase in general and administrative expense, as a percentage of net sales, for the first nine months of fiscal 2004 compared to the same period of fiscal 2003 resulted primarily from recording compensation expense related to restricted stock granted in 2003 (0.3% increase) and higher bonus accruals for year-end incentives based upon growth in comparable store sales, gross margin and net income (0.3% increase).

As a result of the above changes, the Company's income from operations increased \$4.2 million to \$22.6 million for the third quarter of fiscal 2004 compared to \$18.4 million for the third quarter of fiscal 2003, a 22.5% increase. Income from operations was 16.9% of net sales for the third quarter of fiscal 2004 compared to 15.2% of net sales for the third quarter of fiscal 2003. Income from operations, year-to-date through October 30, 2004, was \$38.6 million, an \$11.9 million increase from the first nine months of the prior year. Income from operations was 11.9% of net sales for the first nine months of fiscal 2004 compared to 9.3% for the first nine months of fiscal 2003.

For the quarter ended October 30, 2004, other income increased \$0.1 million due to additional interest and dividend income earned on a higher level of cash and investments compared to the same period in the prior year. For the nine months ended October 30, 2004, other income decreased \$0.2 million primarily from lower interest rates earned on cash and investments during the first half of the current fiscal year compared to the same period of fiscal 2003.

Income tax expense, as a percentage of pre-tax income, was 36.7% in both the third quarter of fiscal 2004 and the third quarter of fiscal 2003, bringing net income to \$14.9 million for the third quarter of fiscal 2004 versus \$12.2 million for the third quarter of fiscal 2003, a 22.3% increase. Income tax expense was also 36.7% of pre-tax income for both the first nine months of fiscal 2004 and fiscal 2003, bringing net income to \$26.1 million for the first three quarters of fiscal 2004 versus \$18.7 million for the same period of fiscal 2003, a 39.4% increase.

Liquidity and Capital Resources

The Company's primary ongoing cash requirements are for inventory, payroll, new store expansion, and remodeling. Historically, the Company's primary source of working capital has been cash flow from operations. During the first nine months of fiscal 2004 and 2003, the Company's cash flow provided by operating activities was \$19.9 and \$14.0 million, respectively.

The uses of cash for both thirty-nine week periods include payment of annual bonuses accrued at fiscal year end, changes in inventory and accounts payable

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for build up of inventory levels, and construction costs for new and remodeled stores. The differences in cash flow for the first nine months of fiscal 2004 compared to the first nine months of fiscal 2003 were primarily due to growth in net income, greater build-up of inventory, fewer purchases of investments and quarterly dividend payments to shareholders which began in the third quarter of fiscal 2003.

The Company has available an unsecured line of credit of \$17.5 million with Wells Fargo Bank, N.A. for operating needs and letters of credit. The note provides that outstanding letters of credit cannot exceed \$10 million. Borrowing under the line of credit note provides for interest to be paid at a rate equal to the prime rate established by the Bank. The Company has, from time to time, borrowed against this line during periods of peak inventory build-up. There were no bank borrowings during the first nine months of fiscal 2004 and only minor bank borrowings during the first nine months of fiscal 2003. As of October 30, 2004, the Company had working capital of \$208.5 million, including \$123.5 million of cash and cash equivalents and short-term investments of \$26.6 million.

During the first nine months of fiscal 2004 and 2003 the Company invested \$11.5 million and \$15.3 million, respectively, in new store construction, store renovation and upgrading store technology. The Company also spent approximately \$0.8 million and \$0.7 million in the first nine months of fiscal 2004 and 2003, respectively, in capital expenditures for the corporate headquarters and distribution center.

15

THE BUCKLE, INC. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

During the remainder of fiscal 2004, the Company anticipates completing approximately three additional store construction projects, including two new stores and one store to be remodeled and/or relocated. As of October 30, 2004, three additional lease contracts have been signed, and additional leases are in various stages of negotiation.

Management now estimates that total capital expenditures during fiscal 2004 will be approximately \$19.6 million. The Company believes that existing cash and cash flow from operations will be sufficient to fund current and long-term anticipated capital expenditures and working capital requirements for the next several years. The Company has a consistent record of generating positive cash flow each year and, as of October 30, 2004, had total cash and investments of \$196.6 million. The Company does not currently have plans for a merger, acquisition or accelerated store expansion. The Company's plans for new store expansion and remodels/relocations during the next three years are reasonably consistent with its past three fiscal years' average. Based upon past results and current plans, management does not anticipate any material changes in the Company's need for cash in the upcoming year. However, future conditions may reduce the availability of funds based upon factors such as a decrease in demand for the Company's product, change in product mix, competitive factors and general economic conditions as well as other risks and uncertainties which would reduce the Company's sales, net profitability and cash flows. Also, the Company's acceleration in store openings and/or remodels, or the Company entering into a merger, acquisition or other financial related transaction, could reduce the amount of cash available for further capital expenditures and working capital requirements.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

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Management's Discussion and Analysis of Financial Condition and Results of Operations are based upon The Buckle, Inc.'s financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires that management make estimates and judgments that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the financial statement date, and the reported amounts of sales and expenses during the reporting period. The Company regularly evaluates its estimates. Management bases its estimates on past experience and on various other factors that are thought to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

The Company's certain critical accounting policies are listed below.

1. Revenue Recognition. Sales are recorded upon the purchase of merchandise by customers. The Company accounts for layaway sales in accordance with SAB No. 101, recognizing revenue from sales made under its layaway program upon delivery of the merchandise to the customer. Revenue is not recorded when gift cards and gift certificates are sold, but rather when a card is redeemed for merchandise. A current liability is recorded at the time of card purchases. The Company establishes a current liability for estimated merchandise returns based upon historical average sales return percentage, applying the percentage using the assumption that merchandise returns will occur within nine days following the sale. Customer returns could potentially exceed historical average and returns may occur after the time period reserved for, thus reducing future net sales results and potentially reducing future net earnings. The accrued liability for reserve for sales returns was \$258,000 and \$258,000 at October 30, 2004 and January 31, 2004, respectively.

16

THE BUCKLE, INC. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

2. Inventory. Inventory is valued at the lower of cost or market. Cost is determined using the average cost method that approximates the first-in, first-out (FIFO) method. Management makes adjustments to inventory and cost of goods sold based upon estimates to reserve for merchandise obsolescence and markdowns that could affect market value, based on assumptions using calculations applied to current inventory levels by department within each of four different markdown levels. Management also reviews the levels of inventory in each markdown group versus the estimated future demand for such product and the current market conditions. Such judgments could vary significantly from actual results, either favorably or unfavorably, due to fluctuation in future economic conditions, industry trends, consumer demand and the competitive retail environment. Such changes in market conditions could negatively impact the sale of markdown inventory causing further markdowns, or inventory obsolescence, resulting in increased cost of goods sold from write-offs, and reducing the Company's net earnings. The liability recorded as a reserve for markdowns and/or obsolescence was \$3.6 million and \$2.5 million as of October 30, 2004 and January 31, 2004, respectively. We are not aware of any events, conditions or changes in demand or price that would indicate that our inventory valuation may be materially inaccurate at this time.
3. Income Taxes. Current income tax expense is the amount of income taxes

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expected to be payable for the current fiscal year. The Company records a deferred tax asset and liability for expected future tax consequences resulting from temporary differences between financial reporting and tax bases of assets and liabilities. The Company considers future taxable income and ongoing tax planning in assessing the value of its deferred tax assets. If the Company determines that it is more than likely that these assets will not be realized, the Company would reduce the value of these assets to their expected realizable value, thereby decreasing net income. Estimating the value of these assets is based upon the Company's judgment. If the Company subsequently determined that the deferred tax assets, which had been written down, would be realized in the future, such value would be increased. Adjustment would be made to increase net income in the period such determination was made.

4. Operating Leases. The Company leases retail stores under operating leases. Most lease agreements contain tenant improvement allowances, rent holidays, rent escalation clauses and/or contingent rent provisions. For purposes of recognizing lease incentives and minimum rental expenses on a straight-line basis over the terms of the leases, the Company uses the date of initial possession to begin amortization, which is generally when the Company enters the space and begins to make improvements in preparation of intended use. For tenant improvement allowances and rent holidays, the Company records a deferred rent liability on the balance sheets and amortizes the deferred rent over the terms of the leases as reductions to rent expense on the statements of earnings.

For scheduled rent escalation clauses during the lease terms or for rental payments commencing at a date other than the date of initial occupancy, the Company records minimum rental expenses on a straight-line basis over the terms of the leases on the statements of income. Certain leases provide for contingent rents, which are determined as a percentage of gross sales in excess of specified levels. The Company records a contingent rent liability on the balance sheets and the corresponding rent expense when specified levels have been achieved. If the Company subsequently determined the lease term to vary from that used in calculations of straight-line rent expense, there could be additional expense to be recorded, thus reducing the Company's earnings for the period of correction.

17

THE BUCKLE, INC. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OFF BALANCE SHEET ARRANGEMENTS, CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

As referenced in the tables below, the Company has contractual obligations and commercial commitments that may affect the financial condition of the Company. Based on management's review of the terms and conditions of its contractual obligations and commercial commitments, there is no known trend, demand, commitment, event or uncertainty that is reasonably likely to occur which would have a material effect on the Company's financial condition or results of operations. In addition, the commercial obligations and commitments made by the Company are customary transactions which are similar to those of other comparable retail companies.

The following tables identify the material obligations and commitments as of October 30, 2004:

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Contractual obligations (dollar amounts in thousands)	Payments Due by Period			
	Total	Less than 1 year	1-3 years	4-5 years
Long term debt and purchase obligations	\$ -	\$ -	\$ -	\$ -
Deferred Compensation	\$ 1,689	\$ -	\$ -	\$ -
Operating leases	\$ 205,369	\$ 31,088	\$ 57,225	\$ 50,170
Total contractual obligations	\$ 207,058	\$ 31,088	\$ 57,225	\$ 50,170

Other Commercial Commitments (dollar amounts in thousands)	Amount of Commitment Expiration Period			
	Total Amounts Committed	Less than 1 year	1-3 years	4-5 years
Lines of Credit	\$ 17,500	\$ 17,500	\$ -	\$ -
Total Commercial Commitments	\$ 17,500	\$ 17,500	\$ -	\$ -

The Company did not have any contingent liability for landlord allowances as of October 30, 2004. The Company has available an unsecured line of credit of \$17.5 million of which \$10 million is available for letters of credit. Certain merchandise purchase orders require that the Company open letters of credit. When the Company takes possession of the merchandise, it releases payment on the letters of credit. Amounts of outstanding letters of credit, reported in the notes included in the Company's 2003 Annual Report, reflect the open letters of credit on merchandise ordered, but not yet received or funded. The Company believes it has sufficient credit available to open letters of credit for merchandise purchases.

18

THE BUCKLE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SEASONALITY AND INFLATION

The Company's business is seasonal, with the Christmas season (from approximately November 15 to December 30) and the back-to-school season (from approximately July 15 to September 1) historically contributing the greatest volume of net sales. For fiscal years 2001, 2002, and 2003, the Christmas and back-to-school seasons accounted for approximately 40% of the Company's fiscal year net sales. Although the operations of the Company are influenced by general economic conditions, the Company does not believe that inflation has had a material effect on the results of operations during the thirty-nine week periods ended October 30, 2004, and November 1, 2003.

FORWARD LOOKING STATEMENTS

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Information in this report, other than historical information, may be considered to be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "1995 Act"). Such statements are made in good faith by the Company pursuant to the safe-harbor provisions of the 1995 Act. In connection with these safe-harbor provisions, this management's discussion and analysis contains certain forward-looking statements, which reflect management's current views and estimates of future economic conditions, company performance and financial results. The statements are based on many assumptions and factors that could cause future results to differ materially. Such factors include, but are not limited to, changes in product mix, changes in fashion trends, competitive factors and general economic conditions, economic conditions in the retail apparel industry, as well as other risks and uncertainties inherent in the Company's business and the retail industry in general. Any changes in these factors could result in significantly different results for the Company. The Company further cautions that the forward-looking information contained herein is not exhaustive or exclusive. The Company does not undertake to update any forward-looking statements, which may be made from time to time by or on behalf of the Company.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company has evaluated the disclosure requirements of Item 305 of S-K "Quantitative and Qualitative Disclosures about Market Risk," and has concluded that the Company has no market risk sensitive instruments for which these additional disclosures are required.

ITEM 4 - CONTROLS AND PROCEDURES

During the third quarter of fiscal 2004, there were no changes in the Company's internal control over financial reporting that materially affected or are reasonable likely to materially affect internal control over financial reporting.

However, on March 3, 2005, Company management announced that, in light of the views expressed by the staff of the Securities and Exchange Commission ("SEC") on February 7, 2005, the Company's management reviewed its lease-related accounting policies and determined that its then-current method of accounting for leasehold improvements funded by landlord allowances under operating leases (tenant improvement allowances), accounting for rent holidays and straight-line rent appeared to be incorrect.

Management and the Chairman of the Audit Committee determined that the Company's accounting for tenant improvement allowances, rent holidays and straight-line rent was incorrect and thus the company's audited financial statements for the years ended January 31, 2004 and February 1, 2003, and unaudited interim financial statements for these years, should be restated.

Based upon the definition of "material weakness" in the Public Accounting Oversight Board's Auditing Standards No. 2, an Audit of Internal Control Over Financial Reporting Performed in Conjunction With an Audit of Financial Statements, restatement of financial statements in prior filings with the SEC is a strong indicator of the existence of a "material weakness" in design or operation of internal control over financial

reporting. Based on that, management concluded that a material weakness existed in the Company's internal control over financial reporting, and disclosed this to the Audit Committee and to the independent registered public accountants.

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The Company also carried out an evaluation, under the supervision and with the participation of the Company's management, including the chief executive officer and the chief financial officer, of the effectiveness of the design and operation of the disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15 (e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based upon that evaluation, which included the matters discussed above, the Company's chief executive officer and chief financial officer concluded that the Company's disclosure controls and procedures were not effective, as of the end of the period covered by this report, in ensuring that material information relating to The Buckle, Inc. required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

The Company has remediated the material weakness in internal control over financial reporting and the ineffectiveness of its disclosure controls and procedures by conducting a review of its accounting related to leases, establishing new lease-related accounting policies and correcting its method of accounting for tenant allowances, rent holidays and straight-line rent.

20

THE BUCKLE, INC. PART II -- OTHER INFORMATION

Item 1. Legal Proceedings: None

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds:

The following table sets forth information concerning purchases made by the Company of its common stock for the periods indicated:

	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased As Part of Publicly Announced Plan	Approximate Dollar Value of Shares that May Yet Be Purchased Under Publicly Announced Plan
August 1, to August 28, 2004	60,000	\$ 26.25	60,000	\$ 1,135,550
August 29, to October 2, 2004	25,000	\$ 26.73	25,000	\$ 485,550
October 3, to October 30, 2004	-	-	-	\$ 485,550
	-----	-----	-----	
	85,000	\$ 26.39	85,000	
	=====	=====	=====	

These shares were part of a 500,000 share repurchase plan, announced by the Company on December 27, 2000. Subsequent to October 30, 2004, the Company has not repurchased any additional shares of its common stock, bringing the total repurchased under the plan to 481,325 shares.

Item 3. Defaults Upon Senior Securities: None

Item 4. Submission of Matters to a Vote of Security Holders: None

Item 5. Other Information: None

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Item 6. Exhibits:

- (a) Exhibits 31.1 and 31.2 certifications, as well as Exhibits 32.1 and 32.2 Certifications Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

21

THE BUCKLE, INC.
SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE BUCKLE, INC.

Dated: April 18, 2005

/s/ DENNIS H. NELSON

DENNIS H. NELSON, President and
Chief Executive Officer

Dated: April 18, 2005

/s/ KAREN B. RHOADS

KAREN B. RHOADS, Vice President
of Finance and Chief Financial Officer

22