

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

FORM 8-K

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

Date of Report:
(Date of earliest event reported)

August 30, 2005

CONN'S, INC.
(Exact name of registrant as specified in charter)

Delaware
(State or other Jurisdiction of Incorporation or Organization)

000-50421
(Commission File Number)

06-1672840
(IRS Employer Identification No.)

3295 College Street
Beaumont, Texas 77701
(Address of Principal Executive
Offices and zip code)

(409) 832-1696
(Registrant's telephone
number, including area code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Securities Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) 12 under the Securities Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) 12 under the Securities Act (17 CFR 240.13e-2(c))

Item 2.02 Results of Operations and Financial Condition.

On August 30, 2005, the Company issued a press release announcing its earnings for the quarter ended July 31, 2005. A copy of the press release is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01(c) Exhibits.

Exhibit 99.1 Press Release, dated August 30, 2005

All of the information contained in Item 2.02 and Item 9.01(c) in this Form 8-K and the accompanying exhibit shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference in any filing under the Securities Act of 1933, as amended.

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 hereunto duly authorized.

CONN'S, INC.

Date: August 30, 2005

By: /s/ David L. Rogers

David L. Rogers
Chief Financial Officer

EXHIBIT INDEX

| Exhibit No. ----- | Description ----- |
|----------------------|--------------------------------------|
| 99.1 | Press Release, dated August 30, 2005 |

Conn's, Inc. Reports Record Earnings for the Quarter and Six Months Ended July 31, 2005

BEAUMONT, Texas--(BUSINESS WIRE)--Aug. 30, 2005--Conn's, Inc. (NASDAQ/NM:CONN), a specialty retailer of home appliances, consumer electronics, computers, mattresses and lawn and garden products, today announced record results for the second quarter and six months ended July 31, 2005.

Net income for the second quarter increased 37.3% to \$9.3 million compared to \$6.8 million for the second quarter of last year. Diluted earnings per share were \$0.39 compared with \$0.29 for the second quarter of last year. Total revenues for the quarter ended July 31, 2005 increased 20.3% to \$164.4 million compared with \$136.6 million for the quarter ended July 31, 2004. This increase in revenue included net sales increases of \$25.0 million, or 21.0%, and increases from "Finance charges and other" of \$2.8 million, or 15.6%. Same store sales (revenues earned in stores operated for the entirety of both periods) increased 12.1% for the second quarter ended July 31, 2005.

Net income for the six months ended July 31, 2005 increased 31.3% to \$19.1 million compared to \$14.6 million for the six months ended July 31, 2004. Diluted earnings per share were \$0.80 compared with \$0.61 for the first six months of last year. Total revenues for the six months ended July 31, 2005 increased 18.8% to \$322.5 million compared with \$271.5 million for the six months ended July 31, 2004. This increase in revenue included net sales increases of \$45.4 million, or 19.1%, and increases from "Finance charges and other" of \$5.7 million, or 16.6%. Same store sales (revenues earned in stores operated for the entirety of both periods) increased 10.0% for the six months ended July 31, 2005.

During the second quarter, the Company continued its expansion into the Dallas/Fort Worth Metroplex with the opening of two additional stores, bringing the store count in this market to eleven as of July 2005. Along with a new store opened in Harlingen, Texas, the first week of August 2005, this brings the Company's total store count to 54. The Company's continuing development efforts could result in the Company operating 56 to 58 stores by the end of January 2006. In early September, the Company expects to begin distributing product in the Dallas/Forth Worth market from its new 150,000 square foot distribution center located between Dallas and Forth Worth and will expand its existing service center to better serve this growing market.

"We are obviously pleased with both the top line and bottom line growth and performance so far this year," said Thomas J. Frank, Conn's Chairman and Chief Executive Officer. "The very positive results in same store sales reflect the determination and commitment to execution by Conn's associates throughout our company. We have achieved our goals in opening new stores thus far this year and with the new DC opening in Dallas we are optimistic about our continued growth for the remainder of the year."

EPS Guidance

As a result of its performance for the first six months, the Company is increasing its guidance for the year ending January 31, 2006 of earnings per diluted share from approximately \$1.40 to \$1.46 to approximately \$1.50 to \$1.55. The estimate of earnings per diluted share is calculated in accordance with current accounting principles, generally accepted in the United States. Comparable store sales increases for the year are projected in the mid, single digit range.

Conference Call Information

Conn's, Inc. will host a conference call and audio webcast today, August 30, 2005 at 10:00 a.m. CDT, to discuss financial results for the quarter and six months ended July 31, 2005. The webcast will be available at www.conns.com and will be archived for 30 days. The webcast is also being distributed over CCBN's Investor Distribution Network to both institutional and individual investors. Individual investors can listen to the call through CCBN's individual investor center at www.fulldisclosure.com. Institutional investors can access the call via StreetEvents (www.streetevents.com).

About Conn's, Inc.

The Company is a specialty retailer currently operating 54 retail locations in Texas and Louisiana: eighteen stores in the Houston area, eleven in the Dallas/Fort Worth Metroplex, seven in San Antonio, five in Austin, four in Southeast Texas, one in Corpus Christi, two in South Texas and six stores in Louisiana. It sells major home appliances, including refrigerators, freezers, washers, dryers and ranges, and a variety of consumer electronics, including projection, plasma, DLP and LCD televisions, camcorders, computers and computer peripherals, DVD players, portable audio and home theater products. The Company also sells lawn and garden products and mattresses, and continues to introduce additional product categories for the home to help increase same store sales and to respond to its customers' product needs.

Unlike many of its competitors, the Company provides flexible in-house

credit options for its customers. Historically, it has financed, on average, approximately 56% of retail sales. Customer receivables are financed substantially through an asset-backed securitization facility, from which the Company derives servicing fee income and interest income from these assets. The Company transfers receivables, consisting of retail installment contracts and revolving accounts extended to its customers, to a qualifying special purpose entity in exchange for cash and subordinated securities represented by asset-backed and variable funding notes issued to third parties.

This press release contains forward-looking statements that involve risks and uncertainties. Such forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "could," "estimate," "should," "anticipate," or "believe," or the negative thereof or variations thereon or similar terminology. Although the Company believes that the expectations reflected in such forward-looking statements will prove to be correct, the Company can give no assurance that such expectations will prove to have been correct. The actual future performance of the Company could differ materially from such statements. Factors that could cause or contribute to such differences include, but are not limited to: the Company's growth strategy and plans regarding opening new stores and entering new markets; the Company's intention to update or expand existing stores; the Company's estimated capital expenditures and costs related to the opening of new stores or the update or expansion of existing stores; the Company's cash flow from operations, borrowings from its revolving line of credit and proceeds from securitizations to fund operations, debt repayment and expansion; growth trends and projected sales in the home appliance and consumer electronics industry and the Company's ability to capitalize on such growth; relationships with the Company's key suppliers; the results of the Company's litigation; interest rates; weather conditions in the Company's markets; changes in the Company's stock price; and the actual number of shares of common stock outstanding. Further information on these risk factors is included in the Company's filings with the Securities and Exchange Commission, including the Company's annual report on Form 10-K filed on April 5, 2005 and current report on Form 8-K filed in connection with this press release. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Except as required by law, the Company is not obligated to publicly release any revisions to these forward-looking statements to reflect the events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.

Conn's, Inc.
CONDENSED, CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except earnings per share)

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|--------------------------------|----------------|------------------------------|----------------|
| | 2004 | 2005 | 2004 | 2005 |
| Revenues | | | | |
| Total net sales | \$118,851 | \$143,849 | \$237,393 | \$282,783 |
| Finance charges and other | 17,750 | 20,526 | 34,085 | 39,755 |
| Total revenues | 136,601 | 164,375 | 271,478 | 322,538 |
| Cost and expenses | | | | |
| Cost of goods sold, including warehousing and occupancy costs | 85,704 | 103,579 | 170,479 | 204,496 |
| Cost of parts sold, including warehousing and occupancy costs | 1,092 | 1,236 | 2,195 | 2,461 |
| Selling, general and administrative expense | 37,521 | 44,700 | 72,383 | 84,182 |
| Provision for bad debts | 1,227 | 443 | 2,649 | 1,595 |
| Total cost and expenses | 125,544 | 149,958 | 247,706 | 292,734 |
| Operating income | 11,057 | 14,417 | 23,772 | 29,804 |
| Interest expense, net | 567 | 59 | 1,149 | 414 |
| Income before minority interest and income taxes | 10,490 | 14,358 | 22,623 | 29,390 |
| Minority interest in limited partnership | (131) | - | (246) | - |

| | | | | |
|-----------------------------------|---------|---------|----------|----------|
| Income before income taxes | 10,359 | 14,358 | 22,377 | 29,390 |
| Total provision for income taxes | 3,569 | 5,034 | 7,814 | 10,264 |
| Net income | \$6,790 | \$9,324 | \$14,563 | \$19,126 |
| Earnings per share | | | | |
| Basic | \$0.29 | \$0.40 | \$0.63 | \$0.82 |
| Diluted | \$0.29 | \$0.39 | \$0.61 | \$0.80 |
| Average common shares outstanding | | | | |
| Basic | 23,179 | 23,366 | 23,163 | 23,337 |
| Diluted | 23,801 | 24,114 | 23,769 | 23,987 |

Conn's, Inc.
CONDENSED, CONSOLIDATED BALANCE SHEETS
(in thousands)

| | January 31, 2005 | July 31, 2005 |
|--|---------------------|------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | \$7,027 | \$19,049 |
| Interests in securitized assets and accounts receivable, net | 131,294 | 136,215 |
| Inventories | 62,346 | 60,846 |
| Deferred income taxes | 4,901 | 6,613 |
| Prepaid expenses and other assets | 3,356 | 2,578 |
| Total current assets | 208,924 | 225,301 |
| Non-current deferred income tax asset | 1,523 | 2,315 |
| Total property and equipment, net | 47,710 | 52,220 |
| Goodwill and other assets, net | 9,846 | 9,777 |
| Total assets | \$268,003 | \$289,613 |
| Liabilities and Stockholders' Equity | | |
| Current liabilities | | |
| Notes payable | \$5,500 | \$- |
| Current portion of long-term debt | 29 | 18 |
| Accounts payable | 26,912 | 33,510 |
| Accrued expenses | 19,883 | 24,596 |
| Fair value of derivatives | 177 | - |
| Other current liabilities | 8,349 | 8,973 |
| Total current liabilities | 60,850 | 67,097 |
| Long-term debt | 5,003 | - |
| Non-current deferred income tax liability | 704 | 820 |
| Deferred gain on sale of property | 644 | 560 |
| Total stockholders' equity | 200,802 | 221,136 |
| Total liabilities and stockholders' equity | \$268,003 | \$289,613 |

Conn's, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

| | For the Six Months Ended July 31, | |
|--|--------------------------------------|----------|
| | 2004 | 2005 |
| Net cash provided by operating activities | \$596 | \$31,396 |
| Cash flows from investing activities | | |
| Purchase of property and equipment | (9,047) | (9,964) |
| Proceeds from sale of property | 15 | 13 |
| Net cash used in investing activities | (9,032) | (9,951) |
| Cash flows from financing activities | | |
| Net borrowings (payments) under bank credit facilities, debt costs | 979 | (10,500) |
| Net proceeds from stock issued under | | |

| | | |
|---|---------|----------|
| employee benefit plans | 687 | 1,091 |
| Payment of promissory notes | (34) | (14) |
| ----- | | |
| Net cash provided by (used in) financing activities | 1,632 | (9,423) |
| ----- | | |
| Impact on cash of consolidation of SRDS | 190 | - |
| ----- | | |
| Net change in cash | (6,614) | 12,022 |
| Cash and cash equivalents | | |
| Beginning of the year | 12,942 | 7,027 |
| ----- | | |
| End of period | \$6,328 | \$19,049 |
| ===== | | |

CALCULATION OF GROSS MARGIN PERCENTAGE
(dollars in thousands)

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|--------------------------------|-----------|------------------------------|-----------|
| | 2004 | 2005 | 2004 | 2005 |
| ----- | | | | |
| Total revenues | \$136,601 | \$164,375 | \$271,478 | \$322,538 |
| Less cost of goods and parts sold, including warehousing and occupancy cost | (86,796) | (104,815) | (172,674) | (206,957) |
| ----- | | | | |
| Gross margin dollars | \$49,805 | \$59,560 | \$98,804 | \$115,581 |
| ===== | | | | |
| Gross margin percentage | 36.5% | 36.2% | 36.4% | 35.8% |

PORTFOLIO STATISTICS

For the periods ended January 31, 2003, 2004, 2005
and July 31, 2004 and 2005

(dollars in thousands, except average outstanding balance per account)

| | 1/31/03 | 1/31/04 | 1/31/05 | 7/31/04 | 7/31/05 |
|---|-----------|-----------|-----------|-----------|-----------|
| ----- | | | | | |
| Total accounts | 285,247 | 299,717 | 350,251 | 320,224 | 380,717 |
| Total outstanding balance | \$303,825 | \$349,470 | \$428,700 | \$382,050 | \$472,688 |
| Average outstanding balance per account | \$1,065 | \$1,166 | \$1,224 | \$1,193 | \$1,242 |
| 60 day delinquency | \$16,176 | \$18,267 | \$23,143 | \$19,662 | \$23,015 |
| Percent delinquency | 5.3% | 5.2% | 5.4% | 5.1% | 4.9% |
| Loan loss ratio | 3.5% | 3.4% | 2.9% | 3.4% | 2.7% |

CONTACT: Conn's, Inc.

Thomas J. Frank, 409-832-1696 Ext. 3218