

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): January 12, 2016

TILE SHOP HOLDINGS, INC.

(Exact name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation)

001-35629
(Commission File Number)

45-5538095
(IRS Employer Identification No.)

14000 Carlson Parkway, Plymouth, Minnesota 55441
(Address of principal executive offices, including ZIP code)

(763) 852-2988
(Registrant's telephone number, including area code)

Not Applicable
(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 Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 2.02 Results of Operations and Financial Condition.

On January 12, 2016, Tile Shop Holdings, Inc. (the “Company”) issued a press release updating and reaffirming certain guidance for fiscal year 2015. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On January 12, 2016, the Company will present at the ICR Conference. A copy of the materials that will be made available in conjunction with that presentation is attached as Exhibit 99.2 to this Current Report on Form 8-K.

The information contained in the attached presentation materials is summary information that is intended to be considered in the context of the Company’s SEC filings and other public announcements. The Company undertakes no duty or obligation to publicly update or revise this information, although it may do so from time to time.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release of Tile Shop Holdings, Inc., dated January 12, 2016.

99.2 The Tile Shop Investor Presentation, dated January 12, 2016.

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.

TILE SHOP HOLDINGS, INC.

By: /s/ Kirk L. Gadelmann

Name: Kirk L Gadelmann

Title: Chief Financial Officer

Date: January 12, 2016

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

TILE SHOP HOLDINGS, INC.
EXHIBIT INDEX TO FORM 8-K

Date of Report:
January 12, 2016

Commission File No.:
001-35629

Exhibit No.	Item
99.1	Press Release of Tile Shop Holdings, Inc., dated January 12, 2016.
99.2	Tile Shop Investor Presentation, dated January 12, 2016.

THE TILE SHOP TO PRESENT AT 2016 ICR CONFERENCE

MINNEAPOLIS – January 12, 2016 – Tile Shop Holdings, Inc. (NASDAQ: TTS) (the “Company”), a specialty retailer of manufactured and natural stone tiles, setting and maintenance materials, and related accessories, announced that the Company’s CEO Chris Homeister will be presenting at the 2016 ICR Conference this week. The Company also updated its 2015 full year outlook for sales to approximately \$293 million, while reaffirming 2015 full year Non-GAAP Earnings Per Share guidance of \$0.31 to \$0.33.

Accompanying management’s remarks at the conference is an updated investor presentation that can also be viewed at investors.tileshop.com under “Presentations”.

See the “Non-GAAP Net Income Guidance Reconciliation” and “Adjusted EBITDA Guidance Reconciliation” tables at the end of this release for a reconciliation of non-GAAP to GAAP net income and net income to Adjusted EBITDA for the company’s full year outlook.

About Tile Shop Holdings and Tile Shop

The Tile Shop is a specialty retailer of manufactured and natural stone tiles, setting and maintenance materials, and related accessories in the United States. The Company offers a wide selection of high quality products, exclusive designs, knowledgeable staff and exceptional customer service, in an extensive showroom environment with more than 50 full-room tiled displays. The Company currently operates 114 stores in 31 states, with an average size of 21,800 square feet. The Tile Shop also sells products online at www.tileshop.com

Non-GAAP Financial Measures

The Company calculates Adjusted EBITDA by taking net income calculated in accordance with GAAP, and adjusting for interest expense, income taxes, depreciation and amortization, stock based compensation and other special, non-recurring charges including investigation and litigation costs. Adjusted EBITDA margin is equal to Adjusted EBITDA divided by net sales. Non-GAAP net income excludes loss on extinguishment of debt and special, non-recurring charges including investigation and litigation costs, and is net of tax.

We believe that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to our financial condition and results of operations. Our management uses these non-GAAP measures to compare our performance to that of prior periods for trend analyses, for purposes of determining management incentive compensation, and for budgeting and planning purposes. These measures are used in monthly financial reports prepared for management and our board of directors. We believe that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing our financial measures with other specialty retailers, many of which present similar non-GAAP financial measures to investors.

Our management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitations of these non-GAAP financial measures are that they exclude significant expenses and income that are required by GAAP to be recognized in our consolidated financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. In order to compensate for these limitations, management presents non-GAAP financial measures in connection with GAAP results. We urge investors to review the reconciliation of our non-GAAP financial measures to the comparable GAAP financial measures and not to rely on any single financial measure to evaluate our business.

FORWARD LOOKING STATEMENTS

This press release includes “forward looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “anticipate”, “believe”, “expect”, “estimate”, “plan”, “outlook”, and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward looking statements include any statements regarding the Company’s strategic and operational plan and expected financial performance (including the financial performance of new stores). Forward looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward looking statements are based on information available at the time those statements are made and/or management’s good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward looking statements, including but not limited to unforeseen events that may affect the retail market or the performance of the Company’s stores. The Company does not intend, and undertakes no duty, to update this information to reflect future events or circumstances. Investors are referred to the most recent reports filed with the SEC by the Company.

Investors and Media:
Tile Shop Holdings, Inc.
Adam Hauser, 763-852-2950
investorrelations@tileshop.com

Non-GAAP Net Income Guidance Reconciliation (Unaudited)

(\$ in millions)

2015 Full Year

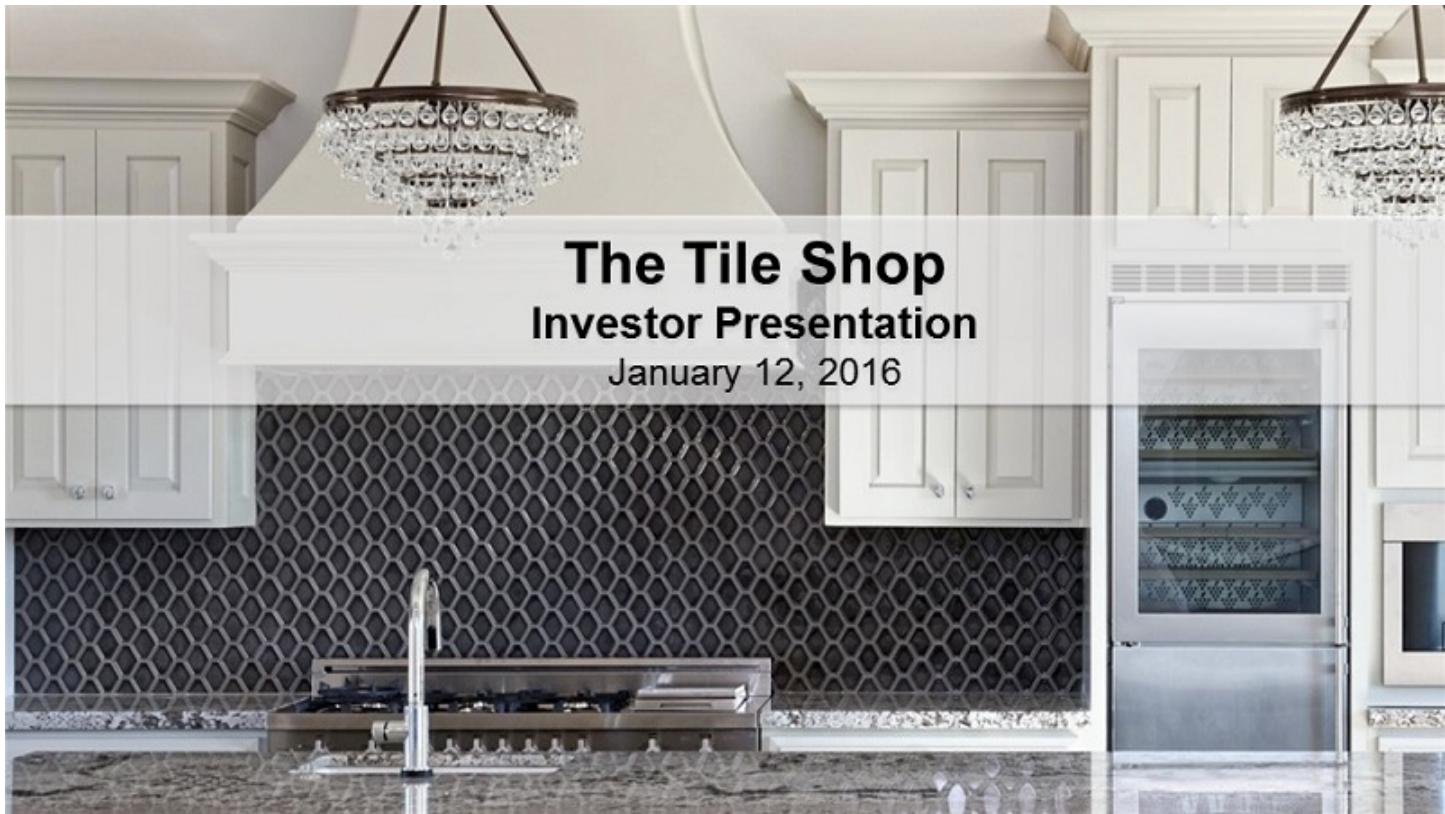
Income before income taxes	\$25 - \$27
Loss on extinguishment of debt	approx. \$0.2
Special charges	approx. \$1.2
Non-GAAP net income before taxes	\$26 - \$28
Provision for income taxes	\$10 - \$11
Non-GAAP net income	\$16 - \$17
Fully diluted shares outstanding	approx. 51 million
Non-GAAP Diluted Earnings per Share	\$0.31 to \$0.33

Adjusted EBITDA Guidance Reconciliation (Unaudited)

(\$ in millions)

2015 Full Year

Net Income	\$15 - \$16
Interest Expense	approx. \$2.5
Income Taxes	\$10 - \$11
Depreciation and amortization	approx. \$23
Special charges	approx. \$1.2
Stock-based compensation	approx. \$5
Adjusted EBITDA	\$57 - \$60



The Tile Shop
Investor Presentation
January 12, 2016



Forward Looking Statements and Non-GAAP Information

These slides and accompanying oral presentation contain "forward looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "anticipate", "believe", "expect", "estimate", "plan", "outlook", and "project" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward looking statements include any statements regarding the Company's strategic and operational plan and expected financial performance (including the financial performance of new stores). Forward looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward looking statements are based on information available at the time these statements are made and/or management's good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward looking statements, including but not limited to unforeseen events that may affect the retail market or the performance of the Company's stores. The Company does not intend, and undertakes no duty, to update this information to reflect future events or circumstances. Investors are referred to the most recent reports filed with the SEC by the Company.

Factors that could materially affect actual results, levels of activity, performance or achievements include those listed under the caption "Risk Factors" in our 2014 Annual Report.

If any of these risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary significantly from what we projected. Any forward-looking statement you see or hear during this presentation reflects our current views with respect to future events and is subject to these and other risks, uncertainties, and assumptions relating to our operations, results of operations, growth strategy, and liquidity. We assume no obligation to publicly update or revise these forward-looking statements for any reason, whether as a result of new information, future events, or otherwise.

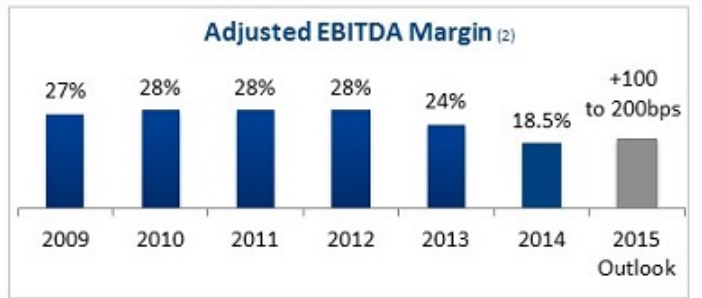
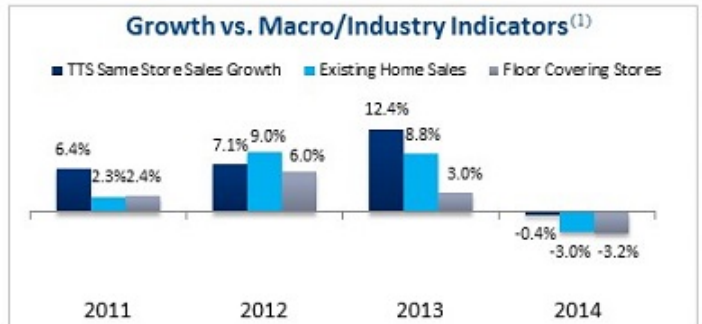
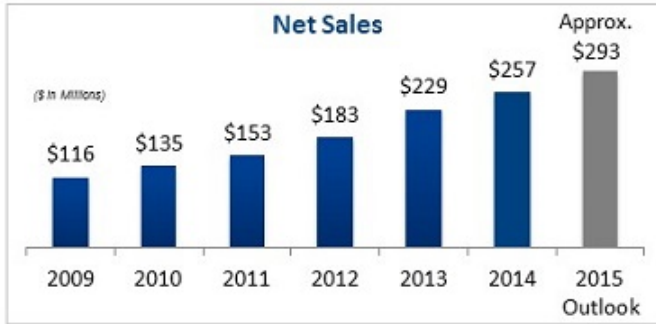
These slides and accompanying oral presentation contain also contain non-GAAP measures of financial results. We believe that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to our financial condition and results of operations. Our management uses these non-GAAP measures to compare our performance to that of prior periods for trend analyses, for purposes of determining management incentive compensation, and for budgeting and planning purposes. These measures are used in monthly financial reports prepared for management and our board of directors. We believe that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing our financial measures with other specialty retailers, many of which present similar non-GAAP financial measures to investors. Our management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitations of these non-GAAP financial measures are that they exclude significant expenses and income that are required by GAAP to be recognized in our consolidated financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. In order to compensate for these limitations, management presents non-GAAP financial measures in connection with GAAP results. We urge investors to review the reconciliation of our non-GAAP financial measures to the comparable GAAP financial measures and not to rely on any single financial measure to evaluate our business.

Company Snapshot

- Founded in 1985
- Dedicated retailer to the home tile market with a strong growth story
- Operate 114 stores in 31 states with a long-term goal of 300-400 stores ⁽¹⁾
 - Four distribution centers that are well-positioned to support near term growth
- Key Differentiation Points drive nearly 70% Gross Margin and very strong Operating Margins
 - Broad product assortment
 - Products include stone tile, ceramic tile, application materials and accessories
 - Diverse offering of ~4,000+ product SKUs
 - Vertically integrated value chain
 - Striking visual product presentation supports sales of finishing pieces and protection/maintenance materials
 - Knowledgeable and motivated sales force

(1) Store count as of December 31, 2015

Historical Financial Performance



(1) Existing Home Sales Per National Association of Realtors. Seasonally Adjusted Annual Rate. Floor Covering Stores growth is per Government Census bureau data

(2) See Adjusted EBITDA reconciliation in appendix for detail

Note: All 2015 financial information is unaudited.

Q3 2015 Year to Date Results

<i>(5 Millions, except per share amounts)</i>	2015	2014	Growth / Change
Sales	\$221.1	\$193.9	+14.0%
Comparable Store Sales Growth	6.6%	(0.5%)	+710bps
Gross Margin	69.2%	69.6%	(40bps)
Non-GAAP EPS ⁽¹⁾	\$0.25	\$0.20	+25.0%
Adjusted EBITDA ⁽²⁾	\$44.2	\$37.2	+18.8%
Adjusted EBITDA Margin	20.0%	19.2%	+80bps

Additional Q3 YTD 2015 Highlights:

- Professional customer segment sales growth strongly outpacing balance of chain
- Significant reductions to retail turnover and increases to average manager tenure
- Inventory reduction at Q3 quarter end despite 14% YTD sales growth and 7% store growth
- Free Cash flow in excess of \$39M
- Paid down nearly \$30M of Long Term Debt

(1) See Non-GAAP EPS reconciliation in appendix for detail

(2) See Adjusted EBITDA reconciliation in appendix for detail

2015 Full Year Outlook

<i>(\$ Millions, except per share amounts)</i>	2015	2014	Growth
Sales	Approx. \$293	\$257.2	+ Approx. 14%
Comparable Store Sales Growth	+ Mid-single digits	(0.4%)	
Non-GAAP Earnings per Share ⁽¹⁾	\$0.31 to \$0.33	\$0.23	+ 35% - 43%

(1) See Non-GAAP EPS reconciliation in appendix for detail.

Note: All 2015 financial information is unaudited.

Leading Specialty Retailer of Tile





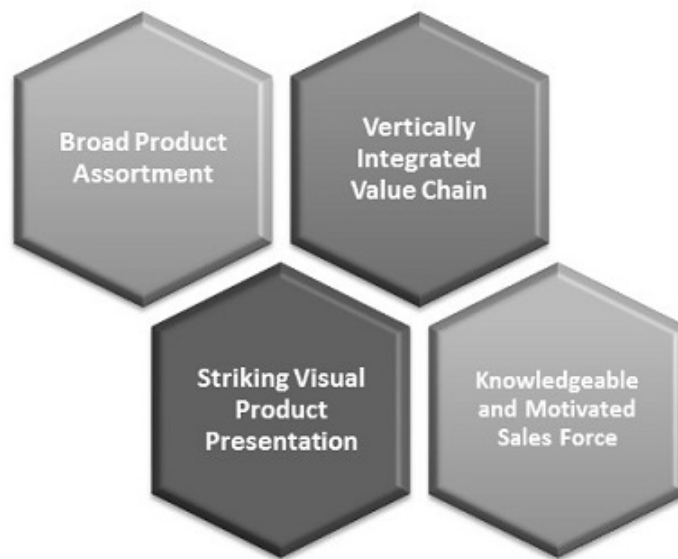
1985

2011



Establishment of Successful Model

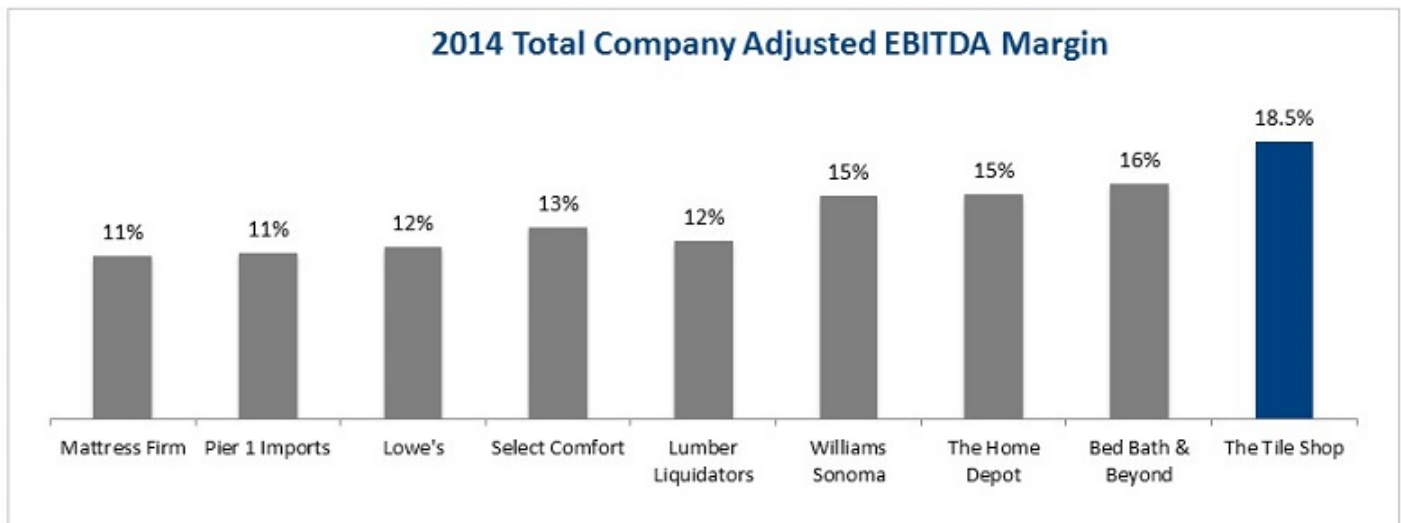




Over 50 Full-Room Tiled Displays Showcasing Creative Ideas and Unique Combinations



Display “vignettes” are the catalyst for a strong mix of finishing and accessory products such as profiles, bullnose, thresholds, corner shelves, etc.



All EBITDA calculations utilize public data with the standard calculation of Adjusted EBITDA as (Operating Income + D&A + Stock-Based Compensation). Additionally, if any of the public peers identify non-cash and non-recurring items as Non-GAAP add backs in Investor Presentations or Financial Statements then such items have been incorporated into our calculations.





Investments significantly impacted capital intensity, SG&A % and EBITDA margin

Doubling of Store Base

2012 - 2014
Investment Phase

54 New Store Openings from 2012-2014, more than doubling the store count from the end of 2011. Majority of 54 openings were in new markets.



Rent, Taxes, CAM, Other Occupancy and certain Wages fully incurred at store opening while revenue is immature

New Distribution & Manufacturing Facilities

2012 - 2014
Investment Phase

- Built Manufacturing capability at Ridgeway, VA in 2012-2013
- Opened Durant, OK Distribution and Manufacturing facility in 2013 to support Southwest growth
- No significant additional investments needed in the near term



Distribution Center and Manufacturing Capital Expenditures

(\$ In Millions)





2015 and Beyond

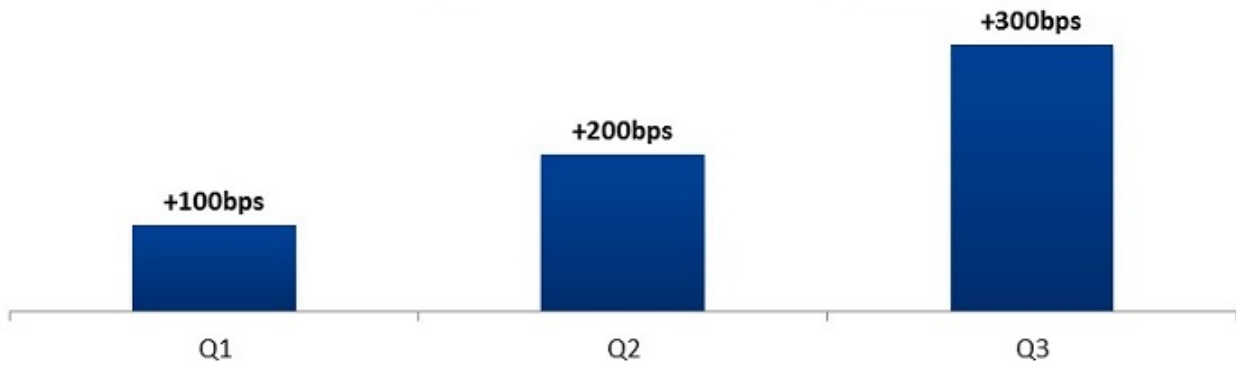


1. **Improved hiring and selection process** for Store Managers
 - Multiple strong candidates competing
 - Robust interview process including CEO
 - Goal is to have a manager at a new store opening at least 30 days in advance of opening
2. **Accelerate the utilization of Market Manager positions**
 - Market Manager positions launched in fall of 2014, currently covering almost the entire store base
 - Currently 20 senior store managers responsible for their individual store and the surrounding market
 - Responsibility is to drive growth, reduce turnover and lead talent development
 - Incremental compensation opportunities for total market financial performance, new store performance, turnover reductions and manager candidate development.
 - Plan to have all stores covered by a market manager in early 2016
3. **Significantly increase “Manager In Training” candidates** receiving full classroom and on-the-job training programs, resulting in improved manager placements and transitions

Pro Mix has increased dramatically in 2015,
accelerating each quarter

2015 *In Focus*

Pro Mix % of Total Revenue - Increase vs. 2014



Growing the Mix of Pro is a Proven Enabler to Achieving Higher Total Store Sales Volume

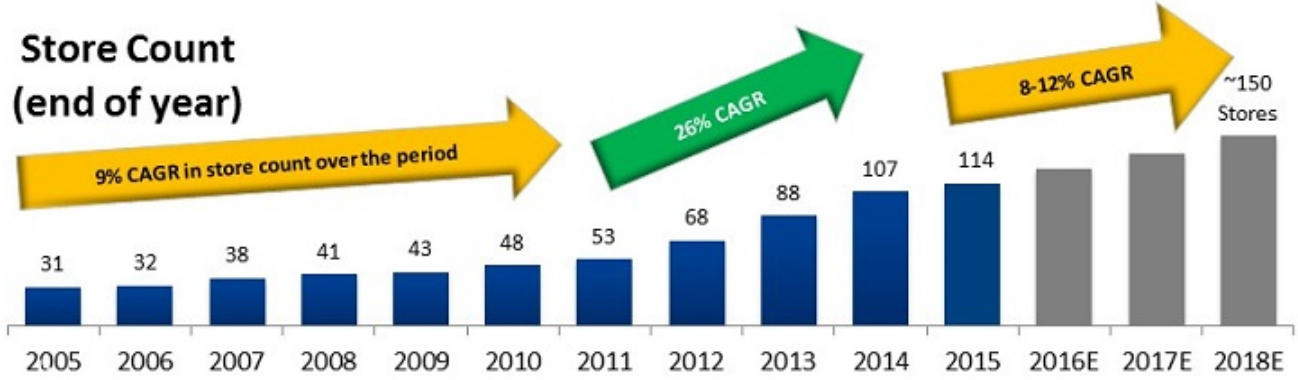
2015 In Focus



- Consistently achieve positive comparable store sales growth ✓
- Improve 2013-2015 new store sales productivity ✓
- Increase Pro Segment mix of sales ✓
- Decrease retail turnover ✓
- Increase Adj. EBITDA Margin ✓

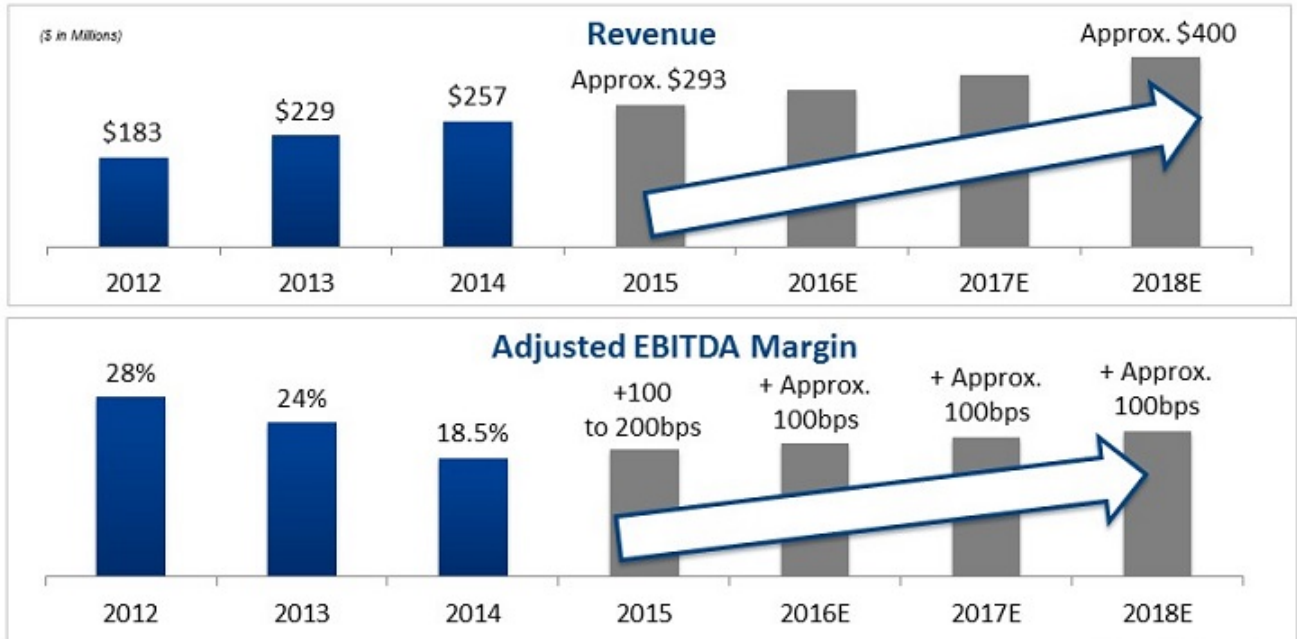
- Retail Talent Development
- Continue to Grow our Pro Business
- Strong Execution of Unit Growth
 - Increase annual growth to 8 to 12%
 - Openings focused in current markets
 - Targeted store size of mid-teens or less (square feet, thousands)

Store Count (end of year)



- Plan is for 8-12% Store Growth over the next several years
- Majority of openings will be in existing markets, leveraging brand awareness, marketing efficiency and existing distribution
- Average size will continue to decline with targeted openings of mid-teens square feet or less





Appendix

Q3 2015 YTD Non-GAAP EPS and EBITDA Reconciliations

Non-GAAP Net Income (\$ in thousands, except share and per share data)	Nine months ended September 30,	
	2015	2014
Reported income before income taxes	\$ 20,295	\$ 15,072
Loss on extinguishment of debt	194	-
Special charges	952	1,544
Non-GAAP net income before taxes	21,441	16,616
Provision for income taxes	8,358	6,646
Non-GAAP net income	\$ 12,583	\$ 9,970
Weighted average basic shares outstanding	51,137,650	51,006,610
Weighted average diluted shares outstanding	51,254,547	51,103,216
Basic earnings per share	\$ 0.25	\$ 0.20
Diluted earnings per share	\$ 0.25	\$ 0.20
Adjusted EBITDA (\$ in thousands)	Nine months ended September 30,	
	2015	2014
Net income	\$ 11,910	\$ 9,041
Interest expense	2,101	2,352
Income taxes	8,385	6,031
Depreciation and amortization	16,597	14,302
Special charges	952	1,544
Stock-based compensation	4,226	3,910
Adjusted EBITDA	\$ 44,171	\$ 37,180

Note: All 2015 financial information presented on this slide is unaudited.

2015 Full Year Outlook Non-GAAP EPS and EBITDA Reconciliations

Non-GAAP Net Income Guidance Reconciliation (Unaudited)

(\$ in millions)	<u>2015 Full Year</u>
Income before income taxes	\$25 - \$27
Loss on extinguishment of debt	approx. \$0.2
Special charges	approx. \$1.2
Non-GAAP net income before taxes	\$26 - \$28
Provision for income taxes	\$10 - \$11
Non-GAAP net income	\$16 - \$17
Fully diluted shares outstanding	approx. 51 million
Non-GAAP Diluted Earnings per Share	\$0.31 to \$0.33

Adjusted EBITDA Guidance Reconciliation (Unaudited)

(\$ in millions)	<u>2015 Full Year</u>
Net Income	\$15 - \$16
Interest Expense	approx. \$2.5
Income Taxes	\$10 - \$11
Depreciation and amortization	approx. \$23
Special charges	approx. \$1.2
Stock-based compensation	approx. \$5
Adjusted EBITDA	\$57 - \$60

Historical Non-GAAP EPS and EBITDA Reconciliations

Non-GAAP Net Income (\$ in thousands, except share and per share data)	Twelve months ended December 31,		Pro-forma Non-GAAP Net Income (\$ in thousands, except per share data)	Twelve months ended December 31,	
	2014	2013		2012	
	Reported income (loss) before income taxes	\$ 17,929		\$ (23,718)	Reported income (loss) before income taxes
Change in fair value of warrants	-	54,219	Change in fair value warrants	82,063	
Nonrecurring costs	1,848	2,216	Deferred compensation expense	3,897	
Non-GAAP net income before taxes	19,777	32,717	Non-recurring equity related and other unusual costs	400	
Provision for income taxes	(8,144)	(13,087)	Pro-forma non-GAAP net income before taxes	37,471	
Non-GAAP net income	\$ 11,633	\$ 19,630	Pro-forma provision for income taxes	14,089	
			Pro-forma non-GAAP net income	\$ 22,482	
Weighted average basic shares outstanding	51,015,354	49,600,396	(1) Weighted average basic shares outstanding	42,562,617	
Weighted average diluted shares outstanding	51,029,790	50,362,417	(1) Weighted average diluted shares outstanding	43,958,564	
Basic earnings per share	\$ 0.23	\$ 0.40	Basic earnings per share	\$ 0.53	
Diluted earnings per share	\$ 0.23	\$ 0.39	Diluted earnings per share	\$ 0.51	
Adjusted EBITDA (\$ in thousands)	Twelve months ended December 31,		Adjusted EBITDA (\$ in thousands)	Twelve months ended December 31,	
	2014	2013		2012	
Net income (loss)	\$ 10,547	\$ (35,660)	Net income (loss)	\$ (46,887)	
Interest expense	3,141	2,581	Interest expense	1,252	
Income taxes	7,382	11,942	Income taxes	(2,002)	
Change in fair value of warrants	-	54,219	Change in fair value warrants	82,063	
Depreciation and amortization	19,925	14,316	Depreciation and amortization	10,530	
Nonrecurring costs	1,848	2,216	Deferred compensation expense	3,897	
Stock-based compensation	4,617	4,680	Non-recurring equity related and other unusual costs	400	
Adjusted EBITDA	\$ 47,460	\$ 54,294	Stock-based compensation	1,381	
			Adjusted EBITDA	\$ 50,634	

114 Store Locations by State as of Dec. 31, 2015

Arkansas (1)

Little Rock

Arizona (2)

Scottsdale

Tempe

Colorado (3)

Greenwood Village

Littleton

Westminster

Connecticut (2)

Danbury

Norwalk

Delaware (1)

Wilmington

Florida (4)

Arlamonte Springs

Brandon

Jacksonville

Tampa

Georgia (2)

Dunwoody

Marietta

Iowa (1)

Des Moines

Illinois (10)

Chicago (Lincoln Park)

Countryside

Deerfield

Geneva

Lake Zurich

Lombard

Naperville

Schaumburg

Skokie

Tinley Park

Indiana (3)

Fort Wayne

Greenwood

Indianapolis

Kansas (2)

Overland Park

Shawnee

Kentucky (3)

Florence

Lexington

Louisville

Massachusetts (3)

Avon

Natick

Shrewsbury

Maryland (4)

Columbia

Glen Burnie

Rockville

Timonium

Michigan (6)

Ann Arbor

Bloomfield Hills

Canton

Farmington

Grand Rapids

Sterling Heights

Minnesota (6)

Bloomington

Burnsville

Coon Rapids

Plymouth

Roseville

Woodbury

Missouri (4)

Ellisville

Independence

St. Peters

Sunset Hills

Nebraska (1)

Omaha

New Jersey (5)

Edison

Livingston

Moorestown

North Plainfield

Rochelle Park

New Mexico (1)

Albuquerque

New York (7)

Albany

Buffalo

Commack

Lynbrook

Rochester

Scarsdale

Westbury

North Carolina (4)

Charlotte

Matthews

North Charlotte

Raleigh

Ohio (8)

Centerville

Cincinnati

Columbus

Mentor

North Olmsted

Oakwood Village

Sharonville

Toledo

Oklahoma (2)

Oklahoma City

Tulsa

Pennsylvania (5)

King of Prussia

Langhorne

Montgomeryville

Robinson

Wexford

Rhode Island (1)

Warwick

South Carolina (2)

Columbia

Greenville

Tennessee (3)

Knoxville

Memphis

Nashville

Texas (9)

Austin (Gateway)

Austin (South)

Dallas

Haltom City

Plano

San Antonio East

San Antonio West

Southlake

The Colony

Virginia (6)

Glen Allen

Manassas

Springfield

Sterling

Vienna

Virginia Beach

Store Map

