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**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): October 17, 2012

**ETHAN ALLEN INTERIORS INC.**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation)

**1-11692**  
(Commission File Number)

**06-1275288**  
(I.R.S. Employer Identification No.)

**Ethan Allen Drive**  
**Danbury, CT**  
(Address of principal executive offices)

**06811**  
(Zip Code)

Registrant's telephone number, including area code: **(203) 743-8000**

**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 (see General Instruction A.2. below):

- 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))
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## INFORMATION TO BE INCLUDED IN REPORT

### SECTION 2 – FINANCIAL INFORMATION

#### **Item 2.02 Results of Operations and Financial Condition**

The information contained within Item 2.02 of this Form 8-K and the Exhibits attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 and shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

On October 17, 2012, Ethan Allen Interiors Inc. (“Ethan Allen” or the “Company”) issued a press release which contained certain preliminary operating results for the quarter ended September 30, 2012. A copy of the press release is attached hereto as Exhibit 99.1 and hereby incorporated by reference.

On October 18, 2012, Ethan Allen will conduct a conference call during which certain unaudited, non-GAAP financial information related to the Company’s operations for the three months ended September 30, 2012 and September 30, 2011 will be disclosed.

Exhibit 99.1 includes references to the Company’s (i) consolidated operating income/operating margin, (ii) wholesale operating income/operating margin, (iii) retail operating income/operating margin, (iv) net income, (v) earnings per share, and (vi) earnings before interest, taxes, depreciation and amortization (“EBITDA”), all excluding the effects of restructuring charges as a result of the Company’s previous decision to consolidate facilities, and also excluding certain transition costs and non-operating income adjustments in both fiscal 2012 and fiscal 2011. A reconciliation of these financial measures to the most directly comparable financial measure reported in accordance with generally accepted accounting principles (“GAAP”) is also provided in Exhibit 99.1.

Management believes that excluding items which are deemed to be non-recurring in nature from financial measures such as operating profit, wholesale operating profit, net income, and earnings per share, allows investors to more easily compare and evaluate the Company’s financial performance relative to prior periods and industry comparables. These adjusted measures also aid investors in understanding the operating results of the Company absent such non-recurring or unusual events.

Management considers EBITDA an important indicator of the operational strength and performance of its business, including the ability of the Company to pay interest, service debt and fund capital expenditures. Given the nature of the Company’s operations, including the tangible assets necessary to carry out its production and distribution activities, depreciation and amortization represent Ethan Allen’s largest non-cash charges. As these non-cash charges do not affect the Company’s ability to service debt or make capital expenditures, it is important to consider EBITDA in addition to, but not as a substitute for, operating income, net income and other measures of financial performance reported in accordance with GAAP, including cash flow measures such as operating cash flow.

### SECTION 9 – FINANCIAL STATEMENTS AND EXHIBITS

#### **Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

<u>Exhibit</u>	<u>Description</u>
99.1	Press release dated October 17, 2012

**SIGNATURES**

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

ETHAN ALLEN INTERIORS INC.

Date: October 17, 2012

By: /s/ David R. Callen  
David R. Callen  
*Vice President Finance & Treasurer*

**EXHIBIT INDEX**

<u>Exhibit</u>	<u>Description</u>
99.1	Press release dated October 17, 2012

## Ethan Allen Reports Results for Quarter Ended September 30, 2012

DANBURY, Conn.--(BUSINESS WIRE)--October 17, 2012--Ethan Allen Interiors Inc. ("Ethan Allen", the "Company", "We", or "Our") (NYSE:ETH) reported operating results for the three months ended September 30, 2012.

Farooq Kathwari, Chairman and CEO commented, "We are pleased to see the benefits of substantially completing the transition of our major introduction of new products and the operating leverage of our vertically integrated business. Our gross margins improved to 55.6% from 52.9% and our operating income was \$19.6 million, an increase of 43.9% after adjusting for a \$1.6 million loss on the sale of vacant real estate. Excluding this real estate loss, our operating expenses were essentially flat compared to the previous year. Our adjusted net income per diluted share was \$0.38 compared to \$0.25 in the previous year quarter, an increase of 52%."

Mr. Kathwari continued, "Our sales increased 1.4% to \$187.4 million over the 12.2% growth in the first quarter of the previous year. The previous year benefitted from shipments of design center samples of new products. We are also pleased that our written business (orders) in our retail division grew in the first quarter by 9.1% including 8.2% growth in comparable design center orders. This increase was over an 11.4% growth in comparable design center orders in the previous year."

### Three Months Ended September 30, 2012

Net sales for the quarter ended September 30, 2012 increased 1.4% over the prior year to \$187.4 million. The Company's Retail division net sales increased 5.6% to \$149.1 million including comparable design center net sales growth of 5.0%. Retail division written orders recorded during the first quarter increased 9.1% over 13.2% growth the prior year's first quarter. Comparable design center written orders grew 8.2% over 11.4% growth the prior year.

Net income for the quarter ended September 30, 2012 was \$10.1 million or \$0.35 per diluted share compared with the prior year of \$6.8 million or \$0.23 per diluted share. Excluding special items in both periods, net income for the quarter ended September 30, 2012 was \$11.1 million or \$0.38 per diluted share compared with \$7.2 million or \$0.25 per diluted share in the prior year period.

Mr. Kathwari concluded, "Our competitive advantages arise from providing high quality products of the finest craftsmanship, offering complimentary design service through our 2,000 motivated interior design professionals, giving free local delivery, enhancing our technology in all aspects of the business, and through leveraging our vertically integrated structure. Executing against all of these elements helps us achieve our mission of 'Luxury Made Affordable'. While economic conditions continue to be challenging, we remain cautiously optimistic about our future prospects."

### **Analyst Conference Call**

The Company will conduct a conference call at 10:00 AM (Eastern) on Thursday, October 18<sup>th</sup> to discuss the financial results and its business initiatives. The live webcast and replay are accessible via the Company's website at <http://ethanallen.com/investors>.

### **About Ethan Allen**

Ethan Allen Interiors Inc. is a leading interior design company and manufacturer and retailer of quality home furnishings. The company offers free interior design service to its clients and sells a full range of furniture products and decorative accessories through ethanallen.com and a network of approximately 300 Design Centers in the United States and abroad. Ethan Allen owns and operates eight manufacturing facilities including five manufacturing plants and one sawmill in the United States plus two plants in Mexico and Honduras. Approximately seventy percent of its products are made in its North American plants. For more information on Ethan Allen's products and services, visit ethanallen.com.

*This press release should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended June 30, 2012 (the "2012 Form 10-K") and other reports filed with the Securities and Exchange Commission. This press release and related discussions contain forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements reflect management's current expectations concerning future events and results of the Company, and are subject to various assumptions, risks and uncertainties including specifically, and without limitation, those set forth in Part I, Item 1A "Risk Factors" of the 2012 Form 10-K. Accordingly, actual future events or results could differ materially from those contemplated by the forward-looking statements. The Company assumes no obligation to update or provide revision to any forward-looking statement at any time for any reason.*

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**Ethan Allen Interiors Inc.**  
**Selected Financial Information**  
**Unaudited**  
(in millions)

Selected Consolidated Financial Data:

	Three Months Ended	
	09/30/12	09/30/11
Net sales	\$187.4	\$184.9
Gross margin	55.6%	52.9%
Operating margin	9.6%	7.4%
Operating margin (excluding special items*)	10.4%	7.4%
Net income	\$10.1	\$6.8
Net income (excluding special items* and unusual income tax effects)	\$11.1	\$7.2
Operating cash flow	\$6.7	\$6.3
Capital expenditures	\$8.3	\$3.4
Acquisitions	\$0.6	\$0.0
Treasury stock repurchases (settlement date basis)	\$0.0	\$0.8
EBITDA	\$22.5	\$18.6
EBITDA as % of net sales	12.0%	10.1%
EBITDA (excluding special items*)	\$24.1	\$18.6
EBITDA as % of net sales (excluding special items*)	12.9%	10.0%

Selected Financial Data by Business Segment:

	Three Months Ended	
	09/30/12	09/30/11
<u>Retail</u>		
Net sales	\$149.1	\$141.2
Operating margin	0.7%	-1.1%
Operating margin (excluding special items*)	1.8%	-1.1%
<u>Wholesale</u>		
Net sales	\$111.4	\$116.4
Operating margin	14.4%	13.5%

\* Special items consist of restructuring, impairment, transition charges and other certain items. Related tax effects are calculated using a normalized income tax rate.

**Ethan Allen Interiors Inc.**  
**Condensed Consolidated Statements of Comprehensive Income**  
**Unaudited**  
(in thousands)

	<u>Three Months Ended</u>	
	<u>09/30/12</u>	<u>09/30/11</u>
Net sales	\$ 187,437	\$ 184,921
Cost of sales	83,184	87,036
Gross profit	<u>104,253</u>	<u>97,885</u>
Operating expenses:		
Selling	44,533	43,620
General and administrative	41,766	40,627
Total operating expenses	<u>86,299</u>	<u>84,247</u>
Operating income	17,954	13,638
Interest and other income	74	60
Interest expense	2,199	2,351
Income before income taxes	15,829	11,347
Income tax expense	5,765	4,577
Net income	<u>\$ 10,064</u>	<u>\$ 6,770</u>
Basic earnings per common share:		
Net income per basic share	\$ 0.35	\$ 0.24
Basic weighted average shares outstanding	28,836	28,760
Diluted earnings per common share:		
Net income per diluted share	\$ 0.35	\$ 0.23
Diluted weighted average shares outstanding	29,141	28,951
Comprehensive income:		
Net income	\$ 10,064	\$ 6,770
Other comprehensive income		
Currency translation adjustment	160	(1,698)
Other	25	9
Other comprehensive income (loss) net of tax	<u>185</u>	<u>(1,689)</u>
Comprehensive income	<u>\$ 10,249</u>	<u>\$ 5,081</u>

**Ethan Allen Interiors Inc.**  
**Condensed Consolidated Balance Sheets**  
**Unaudited**  
(in thousands)

	September 30, <u>2012</u>	June 30, <u>2012</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 73,913	\$ 79,721
Marketable securities	10,670	9,005
Accounts receivable, net	14,644	14,919
Inventories	157,951	155,739
Prepaid expenses & other current assets	23,791	23,408
Total current assets	280,969	282,792
Property, plant and equipment, net	297,322	295,695
Intangible assets, net	45,128	45,128
Restricted cash and investments	15,422	15,416
Other assets	5,873	5,757
Total Assets	\$ 644,714	\$ 644,788
 <b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Current maturities of long-term debt	253	250
Customer deposits	60,924	65,465
Accounts payable	20,831	27,315
Accrued expenses & other current liabilities	61,328	58,047
Total current liabilities	143,336	151,077
Long-term debt	154,216	154,250
Other long-term liabilities	17,496	17,593
Total liabilities	315,048	322,920
Shareholders' equity	329,666	321,868
Total Liabilities and Shareholders' Equity	\$ 644,714	\$ 644,788



**Ethan Allen Interiors Inc.**  
**GAAP Reconciliation**  
**Three Months Ended September 30, 2012 and 2011**  
**Unaudited**  
(in thousands, except per share amounts)

	<b>Three Months Ended September 30,</b>	
	<b>2012</b>	<b>2011</b>
<b><u>Net Income / Earnings Per Share</u></b>		
Net income	\$ 10,064	\$ 6,770
Special items net of related tax effects *	1,022	(25)
Unusual income tax effects	(12)	435
Net income (excluding special items* and unusual income tax effects)	\$ 11,074	\$ 7,180
Basic weighted average shares outstanding	28,836	28,760
Earnings per basic share	\$ 0.35	\$ 0.24
Earnings per basic share (excluding special items* and unusual income tax effects)	\$ 0.38	\$ 0.25
Diluted weighted average shares outstanding	29,141	28,951
Earnings per diluted share	\$ 0.35	\$ 0.23
Earnings per diluted share (excluding special items* and unusual income tax effects)	\$ 0.38	\$ 0.25
 <b><u>Consolidated Operating Income / Operating Margin</u></b>		
Operating income	\$ 17,954	\$ 13,638
Add: special items *	1,610	(40)
Operating income (excluding special items*)	\$ 19,564	\$ 13,598
Net sales	\$ 187,437	\$ 184,921
Operating margin	9.6%	7.4%
Operating margin (excluding special items*)	10.4%	7.4%
 <b><u>Retail Operating Income / Operating Margin</u></b>		
Retail operating income (loss)	\$ 1,048	\$ (1,497)
Add: special items	1,610	(40)
Retail operating income (loss) (excluding special items*)	\$ 2,658	\$ (1,537)
Retail net sales	\$ 149,079	\$ 141,181
Retail operating margin	0.7%	-1.1%
Retail operating margin (excluding special items*)	1.8%	-1.1%

\* Special items consist of restructuring, impairment, transition charges and certain other items.  
Related tax effects are calculated using a normalized income tax rate.

**Ethan Allen Interiors Inc.**  
**GAAP Reconciliation**  
**Three Months Ended September 30, 2012 and 2011**  
**Unaudited**  
(in thousands, except per share amounts)

**EBITDA**

Net income  
Add: interest expense, net  
    income tax expense  
    depreciation and amortization  
EBITDA  
Net sales  
EBITDA as % of net sales

EBITDA  
Add: special items\*  
EBITDA (excluding special items)  
Net sales  
EBITDA as % of net sales (excluding special items)

	<b>Three Months Ended</b>	
	<b>September 30,</b>	
	<b>2012</b>	<b>2011</b>
\$	10,064	\$ 6,770
	2,055	2,258
	5,765	4,577
	4,606	4,989
\$	22,490	\$ 18,594
\$	187,437	\$ 184,921
	12.0%	10.1%
\$	22,490	\$ 18,594
	1,610	(40)
\$	24,100	\$ 18,554
\$	187,437	\$ 184,921
	12.9%	10.0%

\* Special items consist of restructuring, impairment, transition charges and certain other items.  
Related tax effects are calculated using a normalized income tax rate.

CONTACT:  
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Investor / Media:  
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Vice President Finance & Treasurer