

# AMERICAN EAGLE OUTFITTERS INC

## FORM 8-K (Current report filing)

Filed 02/26/03 for the Period Ending 02/25/03

Address	77 HOT METAL STREET PITTSBURGH, PA 15203
Telephone	4124323300
CIK	0000919012
Symbol	AEO
SIC Code	5651 - Family Clothing Stores
Industry	Retail (Apparel)
Sector	Services
Fiscal Year	01/28

SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K  
CURRENT REPORT

Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

February 25, 2003  
Date of Report (Date of earliest event reported)

AMERICAN EAGLE OUTFITTERS, INC.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation)

0-23760  
(Commission File Number)

13-2721761  
(IRS Employer Identification No.)

150 Thorn Hill Drive  
Warrendale, Pennsylvania  
(Address of principal executive offices)

15086-7528  
(Zip Code)

(724) 776-4857  
(Registrant's telephone number, including area code)

Not Applicable  
(Former name or former address, if changed since last report)

---

ITEM 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits

<i>Exhibit No.</i>	<i>Description</i>
99.1	Press Release dated February 25, 2003

ITEM 9. Regulation FD Disclosure.

On February 25, 2003, American Eagle Outfitters, Inc. (the "Company") issued a press release announcing the Company's financial results for the fourth quarter ended February 1, 2003. A copy of this press release is attached hereto as Exhibit 99.1.

---

SIGNATURE

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.

AMERICAN EAGLE OUTFITTERS, INC.

Dated: February 26, 2003

By: /s/ Laura A. Weil  
Name: Laura A. Weil  
Executive Vice President and  
Chief Financial Officer

---

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
Exhibit 99.1	Press Release dated February 25, 2003

---

# AMERICAN EAGLE OUTFITTERS

## Reports 2002 Net Income of \$88.7 Million, and Fully Diluted EPS of \$1.22

Warrendale, PA, February 25, 2003 - American Eagle Outfitters, Inc. (NASDAQ: AEOS) today announced its consolidated financial results for the fourth quarter ended February 1, 2003:

### Fourth Quarter Ended February 1, 2003

- Total sales increased 5.9% to \$491.6 million from \$464.3 million for the quarter ended February 2, 2002.
- Sales for the fourth quarter 2002 included \$22.2 million from the Bluenotes/Thrifty's operation, compared to \$29.7 million for the corresponding period last year.
- Comparable store sales for the American Eagle Outfitters stores declined 3.0% for the quarter ended February 1, 2003.
- Consolidated comparable store sales, which include American Eagle and Bluenotes/Thrifty's stores, decreased 4.6% when compared to the corresponding period last year.
- Net income for the quarter decreased to \$38.9 million, or \$0.54 per share on a diluted basis, from net income of \$43.9 million, or \$0.60 per share on a diluted basis last year.

### Year-to-Date for the Fifty-Two Weeks Ended February 1, 2003

- Total sales increased 6.7% to \$1.463 billion from \$1.372 billion for the fifty-two weeks ended February 2, 2002.
- Sales for the fifty-two weeks ended February 1, 2003 included \$80.2 million from the Bluenotes/Thrifty's operation, compared to \$100.7 million for the corresponding period last year.
- Comparable store sales for the American Eagle Outfitters stores declined 4.3% when compared to the same fifty-two week period last year.
- Consolidated comparable store sales, which include American Eagle and Bluenotes/Thrifty's stores, decreased 5.7% when compared to the corresponding period last year.
- Net income for the period decreased to \$88.7 million, or \$1.22 per share on a diluted basis, from net income of \$105.5 million, or \$1.43 per share on a diluted basis last year.

Regarding current month sales, February is trending below plan, due to weak mall traffic, likely spurred by colder than average weather, snowstorms and the high terror alert.

\* \* \* \*

At 9:00 a.m. EST, on February 25, 2003, the Company's management team will host a conference call to review the financial results. To listen to the call, dial 877-601-0864 at least ten minutes prior to the start of the call. The conference call will also be simultaneously broadcast over the Internet at [www.ae.com](http://www.ae.com). A replay will be available from 1:00 p.m. EST February 25th through March 14th. To listen to the replay, dial 1-800-642-1687 and reference confirmation code #7632325. An audio replay of the conference call will also be available at [www.ae.com](http://www.ae.com) until May 15, 2003.

American Eagle Outfitters is a leading lifestyle retailer that designs, markets and sells its own brand of relaxed, versatile clothing for 16 to 34 year-olds, providing high-quality merchandise at affordable prices. AE's lifestyle collection includes casual basics like khakis, cargos, and jeans; fashion tops like rugby's, polos, and graphic T's; and functional items like swimwear, outerwear, footwear, and accessories. AE's Canadian subsidiary, Bluenotes/Thrifty's, targets a slightly younger demographic, offering a more urban/suburban, denim-driven collection for 12 to 22 year-olds. American Eagle Outfitters currently operates 697 AE stores in 48 states and the District of Columbia, 56 AE stores in Canada, and 111 Bluenotes/Thrifty's stores in Canada. AE also operates via its Internet business, [ae.com](http://ae.com).

### Company Contacts :

Laura Weil  
Judy Meehan  
724-776-4857

### AMERICAN EAGLE OUTFITTERS, INC. CONDENSED CONSOLIDATED BALANCE SHEETS (Dollars in thousands)

	February 1, 2003		February 2, 2002
<b>ASSETS</b>			
Cash and cash equivalents	\$	194,526	\$ 180,398
Short-term investments		47,047	45,085
Merchandise inventory		124,708	91,096

Other current assets		68,089		61,451
<b>Total current assets</b>		<b>434,370</b>		<b>378,030</b>
Property and equipment, net		267,479		257,731
Goodwill, net		23,614		23,966
Other assets, net		19,699		12,994
<b>Total Assets</b>	<b>\$</b>	<b>745,162</b>	<b>\$</b>	<b>672,721</b>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

Accounts payable	\$	50,608	\$	39,067
Accrued compensation and payroll taxes		13,001		27,545
<b>Accrued rent</b>		<b>28,476</b>		<b>29,779</b>
Accrued income and other taxes		12,655		24,451
Current portion of note payable		4,225		4,044
Other current liabilities		32,621		25,056
<b>Total current liabilities</b>		<b>141,586</b>		<b>149,942</b>
Note Payable		16,356		19,361
<b>Other non-current liabilities</b>		<b>9,738</b>		<b>1,366</b>
Total non-current liabilities		26,094		20,727
<b>Total stockholders' equity</b>		<b>577,482</b>		<b>502,052</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$</b>	<b>745,162</b>	<b>\$</b>	<b>672,721</b>

Current Ratio 3.07 2.52

**AMERICAN EAGLE OUTFITTERS, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Dollars in thousands, except per share amounts)

	Three Months Ended		Twelve Months Ended	
	February 1, 2003 (unaudited)	February 2, 2002 (unaudited)	February 1, 2003	February 2, 2002
<b>Net sales</b>	\$ 491,554	\$ 464,300	\$ 1,463,141	\$ 1,371,899
Cost of sales, including certain buying, occupancy and warehousing expenses	315,136	276,330	920,643	824,531
<b>Gross profit</b>	<b>176,418</b>	<b>187,970</b>	<b>542,498</b>	<b>547,368</b>
Selling, general and administrative expenses	101,614	105,511	350,752	339,020
Depreciation and amortization	13,247	12,523	50,661	41,875
Operating income	61,557	69,936	141,085	166,473
<b>Other income, net</b>	<b>1,387</b>	<b>874</b>	<b>2,528</b>	<b>2,772</b>
Income before income taxes	62,944	70,810	143,613	169,245
Provision for income taxes	24,068	26,908	54,878	63,750
<b>Net income</b>	<b>\$ 38,876</b>	<b>\$ 43,902</b>	<b>\$ 88,735</b>	<b>\$ 105,495</b>
<b>Basic income per common share</b>	<b>\$ 0.55</b>	<b>\$ 0.61</b>	<b>\$ 1.24</b>	<b>\$ 1.47</b>
<b>Diluted income per common share</b>	<b>\$ 0.54</b>	<b>\$ 0.60</b>	<b>\$ 1.22</b>	<b>\$ 1.43</b>
<b>Weighted average common shares outstanding - basic</b>	<b>71,132</b>	<b>71,869</b>	<b>71,709</b>	<b>71,529</b>
<b>Weighted average common shares outstanding - diluted</b>	<b>72,034</b>	<b>73,558</b>	<b>72,783</b>	<b>73,797</b>

Total square footage at end of period:

American Eagle Outfitters Stores	3,817,442	3,334,694
Bluenotes/Thrifty's Stores	353,270	353,469

Store count at end of period:

American Eagle Outfitters Stores

7 5 3

67 8

Bluenotes/Thrifty's Stores

111

112

---