

AMERICAN EAGLE OUTFITTERS INC

FORM 8-K (Current report filing)

Filed 05/06/10 for the Period Ending 05/06/10

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

**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)

May 6, 2010

AMERICAN EAGLE OUTFITTERS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State of incorporation)

1-33338
(Commission File Number)

13-2721761
(IRS Employer Identification No.)

77 Hot Metal Street
Pittsburgh, Pennsylvania
(Address of principal executive offices)

15203-2329
(Zip Code)

(412) 432-3300
(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 (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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ITEM 2.02. Results of Operations and Financial Condition

The information in this Item 2.02 of Form 8-K, including the accompanying exhibits, shall not be deemed to be "filed" for the purposes of Section 18 of the Securities and Exchange Act of 1934 (the "Exchange Act"), or otherwise subject to the liability of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, regardless of the general incorporation language of such filing, except as shall be expressly set forth by specific reference in such filing.

On May 6, 2010, American Eagle Outfitters, Inc. (the "Company") issued a press release announcing, among other things, the Company's April 2010 sales. A copy of the press release is attached hereto as Exhibit 99.1. The Company's Management issued a recorded sales commentary on May 6, 2010 to review the Company's sales results for the month ended May 1, 2010. Additionally, Management reiterated its first quarter 2010 earnings guidance in both the press release and the commentary. A copy of the sales commentary transcript is attached hereto as Exhibit 99.2.

ITEM 9.01. Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1*	Press release dated May 6, 2010 announcing April sales
99.2*	April sales commentary transcript dated May 6, 2010

* Such Exhibit is being "furnished" (not filed) pursuant to Item 2.02 of the Current Report on Form 8-K.

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.
(Registrant)

Date: May 6, 2010

By: /s/Joan Holstein Hilson
Joan Holstein Hilson
Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

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99.1*	Press release dated May 6, 2010 announcing April sales
99.2*	April sales commentary transcript dated May 6, 2010

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American Eagle Outfitters Reports April Sales Of \$192 Million
Same Store Sales Decrease 6%
Reiterates First Quarter EPS Guidance
Repurchased 4 Million Shares

Pittsburgh - May 6, 2010 -- American Eagle Outfitters, Inc. (NYSE: AEO) today announced that total sales for the four weeks ended May 1, 2010 decreased 1% to \$192 million, compared to \$194 million for the four weeks ended May 2, 2009. Consolidated comparable store sales decreased 6% for the month, compared to a 5% decrease for the same period last year.

Total sales for the first quarter ended May 1, 2010 increased 8% to \$659 million, compared to \$612 million for the quarter ended May 2, 2009. Comparable store sales increased 5% for the quarter compared to a 10% decline for the same period last year.

The company is reiterating its first quarter non-GAAP earnings guidance of \$0.15 to \$0.17 per diluted share. This guidance excludes estimated charges and an operating loss related to the MARTIN+OSA business as outlined in the table which follows. It also excludes potential investment security charges. Last year, the company reported first quarter non-GAAP earnings of \$0.11 per diluted share, which excluded a tax benefit, a realized loss related to the sale of investment securities and an operating loss related to MARTIN+OSA, as outlined in the table which follows.

In April, the company repurchased 4 million shares at a cost of approximately \$72 million. The company currently has authorization to repurchase an additional 26 million shares, which expires at the end of fiscal 2010.

To access the company's recorded monthly sales commentary, please dial (866) 514-0390, or internationally dial (585) 267-8021.

Non-GAAP Measures

This press release includes information on non-GAAP earnings per diluted share information. This measure is not based on any standardized methodology prescribed by U.S. generally accepted accounting principles ("GAAP") and is not necessarily comparable to similar measures presented by other companies. The company believes that this non-GAAP information is useful as an additional means for investors to evaluate the company's operating performance, when reviewed in conjunction with the company's GAAP financial statements. This amount is not determined in accordance with GAAP and therefore, should not be used exclusively in evaluating the company's business and operations.

AMERICAN EAGLE OUTFITTERS, INC.
GAAP to Non-GAAP reconciliation
(unaudited)

	13 Weeks Ended		
	May 1, 2010	May 1, 2010	May 2, 2009
	<i>Low Range</i>	<i>High Range</i>	
Diluted EPS on a GAAP basis	\$ -	\$0.02	\$0.11
Add back: Impact of store impairment	0.05	0.05	-
Add back: MARTIN+OSA operating loss and shut down costs	0.10	0.10	0.03
	0.15	0.17	0.14
Deduct: Tax benefit	-	-	(0.04)
Add back: Impact of realized loss related to sale of investment securities	-	-	0.01
Non-GAAP Diluted EPS	\$0.15	\$0.17	\$0.11

American Eagle Outfitters, Inc., through its subsidiaries, ("AEO, Inc.") offers high-quality, on-trend clothing, accessories and personal care products at affordable prices. The American Eagle Outfitters brand targets 15 to 25 year old girls and guys, with 938 stores in the U.S. and Canada and online at www.ae.com. aerie by american eagle offers Dormwear and intimates collections for the AE girl, with 139 standalone stores in the U.S. and Canada and online at www.aerie.com. The latest brand, 77kids by american eagle, is available online only at www.77kids.com. The 77kids brand offers "kid cool," durable clothing and accessories for kids ages two to 10. AE.COM, the online home of the brands of AEO, Inc., ships to more than 60 countries worldwide.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: This release contains forward-looking statements, which represent our expectations or beliefs concerning future events, specifically regarding first quarter earnings. All forward-looking statements made by the company involve material risks and uncertainties and are subject to change based on factors beyond the company's control. Such factors include, but are not limited to the risk that the company's first quarter earnings expectations may not be achieved and the risks described in the Risk Factor Section of the company's Form 10-K and Form 10-Q filed with the Securities and Exchange Commission. Accordingly, the company's future performance and financial results may differ materially from those expressed or implied in any such forward-looking statements. The company does not undertake to publicly update or revise its forward-looking statements even if future changes make it clear that projected results expressed or implied will not be realized.

CONTACT: American Eagle Outfitters, Inc.

Judy Meehan, 412-432-3300

American Eagle Outfitters, Inc.
April 2010
Recorded Sales Commentary dated May 6, 2010

Good morning and welcome to the American Eagle Outfitters April 2010 Sales Commentary. This is Judy Meehan, Vice President of Investor Relations. During this call, I will make certain forward-looking statements based on our current expectations. Actual results may be materially different based on risk factors included in our quarterly and annual reports filed with the SEC.

Total sales for the four weeks ended May 1, 2010 decreased 1% to \$192 million compared to \$194 million for the four weeks ended May 2, 2009. Consolidated comparable store sales decreased 6%, compared to a 5% decrease for the same period last year.

April sales were generally consistent with our expectations, and were negatively affected by the shift of Easter-related spring breaks from April into March this year. The comparable combined March/April period produced a comp increase of 5%.

For the month, AE men's comps declined in the high single-digits and women's comps were in the negative mid single-digits. We continued to make progress on our merchandise assortments, while delivering value-priced key item fashion to our customers.

In April, the average transaction value increased in the mid single-digits. This was driven by an increase in the average unit retail price, due to less promotional activity compared to last year. Our conversion rate remained strong. However, traffic declined due, in part, to the holiday shift. AEO direct sales increased 7% in April, and rose 11% during the March/April period.

Reflecting higher margins, we continue to expect first quarter non-GAAP EPS to be within our guidance range of \$0.15 to \$0.17 per diluted share, which compares to non-GAAP EPS of \$0.11 last year. The guidance excludes \$0.15 of estimated closing charges and an operating loss related to MARTIN + OSA. It also excludes potential investment security charges.

We also announced that in April we repurchased 4 million shares at a cost of approximately \$72 million. This leaves us with an additional 26 million shares remaining under our current authorization.

We will announce first quarter earnings results on Wednesday, May 26th. Our conference call will begin at 9:00 a.m. Eastern Time that morning. To listen, please dial 1-877-407-0789.

Thank you for your continued interest in American Eagle Outfitters.