

AMERICAN EAGLE OUTFITTERS INC

FORM 8-K (Current report filing)

Filed 11/30/06 for the Period Ending 11/29/06

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)

November 29, 2006

AMERICAN EAGLE OUTFITTERS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State 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)

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 7.01. Regulation FD Disclosure

The information in this Item 7.01 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 November 29, 2006, the Company issued a press release announcing, among other things, the Company's November 2006 sales. A copy of the press release is attached hereto as Exhibit 99.1. The Company's Management issued a recorded sales commentary on November 29, 2006 to review the Company's sales results for the month ended November 25, 2006. Additionally, Management reiterated its fourth quarter 2006 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

(c) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1*	Press Release dated November 29, 2006 announcing November sales
99.2*	November Sales Commentary Transcript dated November 29, 2006

* Such Exhibit is being "furnished" (not filed) pursuant to Item 7.01 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: November 30, 2006

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

EXHIBIT INDEX

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NEWS RELEASE**AMERICAN EAGLE
OUTFITTERS****Reports November Sales of \$247.0 Million on a Same Store Sales Increase of 14%
Reiterates Fourth Quarter EPS Guidance**

Warrendale, PA, November 29, 2006 -- American Eagle Outfitters, Inc. (NASDAQ: AEOS) today announced that total sales for the month ended November 25, 2006 increased 21% to \$247.0 million, compared to \$203.5 million for the month ended November 26, 2005. Comparable store sales increased 14% for the month.

In November the company experienced a strong kick-off to the holiday season, and management was pleased with the performance throughout the month including the Thanksgiving weekend. Customers responded well to the holiday collection and the company believes the brand is well-positioned as a gift destination this season.

Jim O'Donnell, Chief Executive Officer commented, "I am pleased with our performance, in particular the Thanksgiving weekend, which is the start to the holiday season. We continue to differentiate the AE brand, through on-trend assortments and a strong connection with our customers."

Total sales for the year-to-date forty-three week period ended November 25, 2006 increased 18% to \$2.068 billion, compared to \$1.756 billion for the forty-three week period ended November 26, 2005. Comparable store sales increased 11% for the year-to-date period.

At this point in the quarter, the company is reiterating its fourth quarter earnings guidance of \$0.94 to \$0.96 per share compared to \$0.71 per share last year, which would represent 32%-35% growth over last year. Adjusted for the 3 for 2 stock split payable December 18th, fourth quarter earnings guidance is \$0.63 to \$0.64 per share, compared to \$0.47 per share last year.

To access the company's recorded monthly sales commentary, please call 800-642-1687, conference code 3282124#.

About American Eagle Outfitters:

American Eagle Outfitters (Nasdaq: AEOS) is a leading retailer that designs, markets and sells its own brand of laidback, current clothing targeting 15 to 25 year-olds, providing high-quality merchandise at affordable prices. AE's original collection includes standards like jeans and graphic Ts as well as essentials like accessories, outerwear, footwear, basics and swimwear. American Eagle Outfitters currently operates 836 stores in 50 states, the District of Columbia and Puerto Rico, and 72 AE stores in Canada. AE also operates ae.com, which offers additional sizes and styles of favorite AE merchandise and ships around the world. In September of this year, the company launched a new collection of dormwear and intimates. " *aerie* by American Eagle" is now available in American Eagle stores across the country and at aerie.com. It includes bras, undies, camis, hoodies, robes, boxers, sweats and leggings for the AE girl. Designed to be sweetly sexy, comfortable and cozy, *aerie* offers AE customers a new way to express their personal style everyday, from the dormroom to the coffee shop to the classroom. The company has also introduced MARTIN + OSA, a new sportswear concept targeting 25 to 40 year-old women and men. MARTIN + OSA carries apparel, accessories and footwear, using denim and sport inspiration to design fun and sport back into sportswear. MARTIN + OSA currently operates four stores and plans to open one additional store this year. For additional information and updates, visit martinandosa.com.

"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 fourth 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 fourth quarter sales, markdowns and/or earnings expectations may not be achieved and those other 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, 724-776-4857

OR

Financial Media Contact
Berns Communications Group
Stacy Berns or Melissa Jaffin, 212-994-4660

American Eagle Outfitters, Inc.
November 2006
Recorded Sales Commentary Transcript dated November 29, 2006

Good afternoon. Welcome to the American Eagle Outfitters November 2006 Sales Commentary. This is Judy Meehan, Senior Director 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.

November delivered a strong kick-off to the holiday season and we were pleased with our performance throughout the month and into the Thanksgiving weekend. Our customers responded enthusiastically to the holiday collection, making AE a prime gift destination for categories such as AE jeans, sweaters and fleece. We feel that our lifestyle brand is well-positioned for giving and receiving this season.

Total November sales of \$247.0 million increased 21% compared to \$203.5 million last year. We delivered a comparable store sales increase of 14%, which compares to a 2% comp increase in November of last year.

Our women's assortment delivered a positive mid-teen comp, with notable strength in sweaters and jeans. Other strong categories included women's fleece, knit tops, footwear, accessories and *aerie*. Men's increased in the low double-digits. The best performing categories were jeans, fleece, knit tops and sweaters. Men's and women's outerwear were below our expectations.

Overall, a well-received merchandise assortment and an increased conversion rate led to a mid single-digit increase in the number of transactions per store and a mid-teen increase in the units sold per store. Our average transaction value increased in the high single-digits, driven by a high single-digit increase in units per transaction. Less promotional activity was partially offset by a change in sales mix, leading to a slight increase in our average unit retail price.

Turning to comps by week:

- Week one increased in the high-teens, compared to a low single-digit increase last year;
- Week two comped in the positive mid-teens, compared to a decline in the low single-digits;
- Week three increased in the low double-digits, compared to a decline in the low single-digits; and
- Week four also increased in the low double-digits, compared to a mid single-digit increase last year.

Comps by region were as follows:

- The Northeast and Southwest increased in the high-teens;
- The West, the Mid-West and Mid Atlantic region increased in the low double-digits;
- The Southeast increased in the mid single-digits; and
- Canada achieved a comp in the positive low-twenties.

Gift card purchases were up over last year producing an average store increase in the high teens.

Sales at ae.com increased 45% in November, driven by higher traffic, improved conversion and a higher transaction value.

In December, we will continue our focus on gift giving, with powerful brand-defining messaging in stores and on ae.com. Our next merchandise update, spring transition, arrives in stores on December 24th, the same time as last year.

November sales performance demonstrates a strong start to the holiday season and is consistent with assumptions built into our recent earnings guidance. At this point in the quarter, we are reiterating the fourth quarter EPS guidance which we provided two weeks ago of \$0.94 to \$0.96 per share, compared to \$0.71 last year, and would represent earning growth of 32% to 35% over the quarter last year. Adjusted for the 3 for 2 stock split payable December 18th, fourth quarter earnings guidance is \$0.63 to \$0.64 per share, compared to \$0.47 per share last year. We will report December sales on Wednesday, January 3rd.

Happy Holidays, and thank you for your continued interest in American Eagle Outfitters.