

# AMERICAN EAGLE OUTFITTERS INC

## FORM 8-K (Current report filing)

Filed 10/07/10 for the Period Ending 10/07/10

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

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**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 7, 2010**

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**AMERICAN EAGLE OUTFITTERS, INC.**

(Exact name of registrant as specified in its charter)

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**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)

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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 October 7, 2010, American Eagle Outfitters, Inc. (the "Company") issued a press release announcing, among other things, the Company's September 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 October 7, 2010 to review the Company's sales results for the month ended October 2, 2010. Additionally, Management raised its third 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 October 7, 2010 announcing September sales |
| 99.2*              | September sales commentary transcript dated October 7, 2010    |

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

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**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: October 7, 2010

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

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**EXHIBIT INDEX**

| <u>Exhibit Number</u> | <u>Description</u>   |
|-----------------------|--|
| 99.1*                 | Press release dated October 7, 2010 announcing September sales |
| 99.2*                 | September sales commentary transcript dated October 7, 2010    |

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

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## American Eagle Outfitters Reports September Sales Of \$251 Million Same Store Sales Increased 4% Raises Third Quarter EPS Guidance

Pittsburgh - October 7, 2010 -- American Eagle Outfitters, Inc. (NYSE: AEO) today announced that total sales for the five weeks ended October 2, 2010 increased 4% to \$251 million, compared to \$241 million for the five weeks ended October 3, 2009. Comparable store sales increased 4%, compared to flat for the same period last year.

Total sales for the 35 week year-to-date period ended October 2, 2010 increased 4% to \$1.86 billion, compared to \$1.79 billion for the 35 weeks ended October 3, 2009. Comparable store sales increased 2% for the year-to-date period, compared to an 8% decline for the same period last year.

The company completed the closure of MARTIN+OSA during the second quarter of 2010. Accordingly, MARTIN+OSA's total sales for the current and prior periods have been reclassified as discontinued operations and are not included in the results from continuing operations above.

The company is raising its third quarter earnings guidance from continuing operations to a range of \$0.27 to \$0.28 per diluted share from prior guidance of \$0.23 to \$0.26 per diluted share. This is based on a view of third quarter comparable store sales of flat to slightly positive, reflecting conservative traffic during the non-peak selling period of October. Third quarter guidance compares to adjusted earnings from continuing operations for the third quarter 2009 of \$0.25 per diluted share, which excluded a tax benefit of \$0.07 per diluted share associated with the repatriation of earnings from Canada as outlined in the table that follows. The third quarter 2010 guidance excludes the potential impact of investment security charges.

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 ("non-GAAP" or "adjusted"). 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)

|   | <b>13 Weeks Ending</b>  |                         | <b>13 Weeks Ended</b>   |
|---|-------------------------|-------------------------|-------------------------|
|   | <b>October 30, 2010</b> | <b>October 30, 2010</b> | <b>October 31, 2009</b> |
|   | <i>Low Range</i>        | <i>High Range</i>       |                         |
| GAAP Diluted EPS from Continuing Operations                                   | \$0.27                  | \$0.28                  | \$0.32                  |
| Deduct: Impact of tax benefit related to repatriation of earnings from Canada | -                       | -                       | (0.07)                  |
| Non-GAAP Diluted EPS from Continuing Operations                               | \$0.27                  | \$0.28                  | \$0.25                  |

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 933 stores in the U.S. and Canada and online at [www.ae.com](http://www.ae.com). aerie by american eagle offers Dormwear and intimates collections for the AE girl, with 145 standalone stores in the U.S. and Canada and online at [www.aerie.com](http://www.aerie.com). The latest brand, 77kids by american eagle, is available online at [www.77kids.com](http://www.77kids.com), as well as at five stores across the nation. The 77kids brand offers small sizes and great big style for kids 0-14. AE.COM, the online home of the brands of AEO, Inc. ships to 76 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 third quarter earnings and monthly sales. 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 third quarter earnings and monthly sales 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.**  
**September 2010**  
**Recorded Sales Commentary dated October 7, 2010**

Good morning and welcome to the American Eagle Outfitters September 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 five weeks ended October 2<sup>nd</sup>, 2010 increased 4% to \$251 million compared to \$241 million for the five weeks ended October 3<sup>rd</sup>, 2009. Consolidated comparable store sales increased 4%, compared to a flat comp for the same period last year.

September sales were ahead of our expectations. Business was particularly strong during the first three weeks of the month, reflecting increased demand during the back-to-school shopping season. Customers responded favorably to our assortments, with AE women's posting a positive high single-digit comp, and men's flat to last year. Denim, accessories and importantly, women's sweaters continued to deliver strong results.

Transactions per store increased to last year. A higher transaction value was driven by a low single-digit increase in our average unit retail price, primarily due to less promotional activity and lower markdowns. Unit sales were also strong, and inventories are well controlled. The average weekly third quarter inventory per foot continues to be down in the mid single-digits and we expect clearance to be down as we enter the holiday season.

We are raising our third quarter outlook, based on our performance through September, and now expect third quarter earnings from continuing operations to be in the range of \$0.27 to \$0.28 per diluted share. This is based on a view of third quarter comps of flat to slightly positive, reflecting conservative traffic expectations during the non-peak selling period of October. The third quarter 2010 guidance excludes the potential impact of investment security charges.

Thank you for your continued interest in American Eagle Outfitters.