

AMERICAN EAGLE OUTFITTERS INC

FORM 8-K

(Current report filing)

Filed 08/05/10 for the Period Ending 08/05/10

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)

August 5, 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 August 5, 2010, American Eagle Outfitters, Inc. (the "Company") issued a press release announcing, among other things, the Company's July 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 August 5, 2010 to review the Company's sales results for the month ended July 31, 2010. Additionally, Management narrowed its second 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 August 5, 2010 announcing July sales
99.2*	July sales commentary transcript dated August 5, 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: August 5, 2010

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

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
99.1*	Press release dated August 5, 2010 announcing July sales
99.2*	July sales commentary transcript dated August 5, 2010

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

American Eagle Outfitters Reports July Sales Of \$219 Million Same Store Sales Were Flat to Last Year Narrows Second quarter EPS guidance

Pittsburgh - August 5, 2010 -- American Eagle Outfitters, Inc. (NYSE: AEO) today announced that total sales for the four weeks ended July 31, 2010 increased 2% to \$219 million, compared to \$215 million for the four weeks ended August 1, 2009. Comparable store sales were flat for the month, compared to an 11% decrease for the same period last year.

Total sales for the second quarter ended July 31, 2010 increased 1% to \$662 million, compared to \$658 million for the quarter ended August 1, 2009. Comparable store sales decreased 1% for the quarter compared to a 10% decline for the same period last year.

Total sales for the 26 week year-to-date period ended July 31, 2010 increased 4% to \$1.322 billion, compared to \$1.270 billion for the 26 weeks ended August 1, 2009. Comparable store sales increased 2% for the year-to-date period compared to a 10% decline for the same period last year.

Management expects second quarter adjusted earnings to be in the range of \$0.12 to \$0.13 per diluted share, which is consistent with the previous guidance that EPS would be on the low end of \$0.12 to \$0.16 per diluted share. On a GAAP basis, the second quarter guidance range is (\$0.01) to \$0.00 per diluted share and includes estimated closing charges and an operating loss related to MARTIN+OSA of approximately \$0.13 per diluted share as outlined in the table below. This guidance excludes the potential impact of investment security charges. Second quarter guidance compares to adjusted EPS of \$0.18 per diluted share for the second quarter ended August 1, 2009, which excluded an operating loss related to MARTIN+OSA as outlined in the table below.

During the month, the company repurchased 3.3 million shares, bringing the year-to-date total to 14 million shares for a total cost of \$192 million.

To access the company's recorded monthly sales commentary, please dial (866) 514-0390, or internationally (585) 267-8021. The company will announce second quarter earnings on Wednesday, August 25 and management will hold a conference call at 9:00 am. To listen to the call, please dial (877) 407-0789.

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)

	13 Weeks Ended		13 Weeks Ended
	July 31, 2010	July 31, 2010	August 1, 2009
	<i>Low Range</i>	<i>High Range</i>	
Diluted EPS on a GAAP basis	(\$0.01)	\$0.00	\$0.14
Add back: MARTIN+OSA operating loss and shut down costs	0.13	0.13	0.04
Non-GAAP Diluted EPS	0.12	0.13	0.18

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 934 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 144 standalone stores in the U.S. and Canada and online at www.aerie.com. The latest brand, 77kids by american eagle, is available online at www.77kids.com, as well as at five stores across the nation. 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 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 second 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 second 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.
July 2010
Recorded Sales Commentary dated August 5, 2010

Good morning and welcome to the American Eagle Outfitters July 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 July 31st, 2010 increased 2% to \$219 million compared to \$215 million for the four weeks ended August 1, 2009. Consolidated comparable store sales were flat, compared to an 11% decrease for the same period last year.

Within the AE brand, men's comps decreased slightly, and women's comps were flat to last year. Wear-now categories, including shorts performed the best. This was driven, in part, by the change of the early July promotional event from AE jeans last year to a shorts promotion this year.

Overall store traffic declined slightly. An improved conversion rate drove a high single-digit increase in the number of transactions compared to last year. However, a high single-digit decline in the average unit retail price caused a lower average transaction value. Importantly, we continued to move through remaining summer merchandise, ending the quarter with clearance inventory down to last year.

An update to the floor-set arrived in stores this week, providing newness for peak August back-to-school shopping.

Now an update on share buy backs. During the month, we repurchased an additional 3.3 million shares, bringing the year-to-date total to 14 million shares for a total cost of \$192 million.

We now expect second quarter adjusted earnings to be in the range of \$0.12 to \$0.13 per diluted share, which is consistent with our prior guidance. This compares to adjusted EPS of \$0.18 last year. This guidance excludes \$0.13 of estimated closing charges and an operating loss related to MARTIN+OSA. It also excludes the potential impact of investment security charges.

We will announce second quarter earnings on Wednesday, August 25 and management will host a conference call at 9:00 am. To listen to the call, please dial 877-407-0789. Thank you for your continued interest in American Eagle Outfitters.