

CHILDRENS PLACE RETAIL STORES INC

Form 10-Q

November 29, 2012

Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the quarterly period ended October 27, 2012

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the transition period from _____ to _____

Commission file number 0-23071

THE CHILDREN'S PLACE RETAIL STORES, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
Incorporation or organization)

31-1241495

(I.R.S. employer
identification number)

500 Plaza Drive

Secaucus, New Jersey

(Address of Principal Executive Offices)

07094

(Zip Code)

(201) 558-2400

(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one).

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

The number of shares outstanding of the registrant's common stock with a par value of \$0.10 per share, as of November 27, 2012 was 23,589,091 shares.

Table of Contents

THE CHILDREN'S PLACE RETAIL STORES, INC. AND SUBSIDIARIES

QUARTERLY REPORT ON FORM 10-Q

FOR THE PERIOD ENDED OCTOBER 27, 2012

TABLE OF CONTENTS

PART I — FINANCIAL INFORMATION

- Item 1. Condensed Consolidated Financial Statements:
Condensed Consolidated Balance Sheets
Condensed Consolidated Statements of Operations
Condensed Consolidated Statements of Comprehensive Income
Condensed Consolidated Statements of Cash Flows
Notes to Condensed Consolidated Financial Statements
- Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations
- Item 3. Quantitative and Qualitative Disclosures about Market Risk
- Item 4. Controls and Procedures

PART II — OTHER INFORMATION

- Item 1. Legal Proceedings
- Item 1A. Risk Factors
- Item 2. Unregistered Sales of Equity Securities and Use of Proceeds
- Item 6. Exhibits
- Signatures
-

Table of Contents

PART I. FINANCIAL INFORMATION

Item 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

THE CHILDREN'S PLACE RETAIL STORES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except par value)

	October 27, 2012 (unaudited)	January 28, 2012	October 29, 2011 (unaudited)
ASSETS			
Current assets:			
Cash and cash equivalents	\$203,101	\$176,655	\$152,621
Accounts receivable	25,948	17,382	25,867
Inventories	266,400	212,916	256,425
Prepaid expenses and other current assets	36,709	49,184	39,462
Deferred income taxes	18,112	17,188	14,986
Total current assets	550,270	473,325	489,361
Long-term assets:			
Property and equipment, net	335,953	323,863	326,623
Deferred income taxes	49,523	49,054	53,686
Other assets	4,159	4,407	4,510
Total assets	\$939,905	\$850,649	\$874,180
LIABILITIES AND STOCKHOLDERS' EQUITY			
LIABILITIES:			
Current liabilities:			
Accounts payable	\$99,342	\$55,516	\$54,960
Income taxes payable	7,911	1,788	3,932
Accrued expenses and other current liabilities	105,264	74,251	90,229
Total current liabilities	212,517	131,555	149,121
Long-term liabilities:			
Deferred rent liabilities	95,454	94,569	97,945
Other tax liabilities	9,076	9,109	15,566
Other long-term liabilities	7,634	6,050	4,907
Total liabilities	324,681	241,283	267,539
COMMITMENTS AND CONTINGENCIES			
STOCKHOLDERS' EQUITY:			
Preferred stock, \$1.00 par value, 1,000 shares authorized, 0 shares issued and outstanding	—	—	—
Common stock, \$0.10 par value, 100,000 shares authorized; 23,993, 24,711 and 24,939 issued; 23,970, 24,697 and 24,926 outstanding	2,399	2,471	2,494
Additional paid-in capital	214,695	210,159	216,882
Treasury stock, at cost (23, 14, 13 shares)	(1,057) (598) (536
Deferred compensation	1,057	598	536
Accumulated other comprehensive income	12,966	12,685	13,747
Retained earnings	385,164	384,051	373,518

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Total stockholders' equity	615,224	609,366	606,641
Total liabilities and stockholders' equity	\$939,905	\$850,649	\$874,180

See accompanying notes to these condensed consolidated financial statements.

1

Table of Contents

THE CHILDREN'S PLACE RETAIL STORES, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In thousands, except per share amounts)

	Thirteen Weeks Ended		Thirty-nine Weeks Ended	
	October 27, 2012	October 29, 2011	October 27, 2012	October 29, 2011
Net sales	\$500,928	\$484,085	\$1,300,262	\$1,258,399
Cost of sales	294,725	284,034	803,029	759,136
Gross profit	206,203	200,051		