

CHILDRENS PLACE RETAIL STORES INC
Form 10-Q
June 06, 2013
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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 May 4, 2013

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 June 4, 2013 was 22,488,013 shares.

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

QUARTERLY REPORT ON FORM 10-Q

FOR THE PERIOD ENDED MAY 4, 2013

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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)

	May 4, 2013 (unaudited)	February 2, 2013	April 28, 2012 (unaudited)
ASSETS			
Current assets:			
Cash and cash equivalents	\$186,260	\$194,128	\$204,826
Short-term investments	15,000	15,000	—
Accounts receivable	22,223	18,490	18,656
Inventories	251,285	266,976	220,486
Prepaid expenses and other current assets	36,327	40,927	40,808
Deferred income taxes	10,518	9,714	5,128
Total current assets	521,613	545,235	489,904
Long-term assets:			
Property and equipment, net	334,443	330,101	329,058
Deferred income taxes	44,689	43,678	50,084
Other assets	4,327	4,396	4,339
Total assets	\$905,072	\$923,410	\$873,385
LIABILITIES AND STOCKHOLDERS' EQUITY			
LIABILITIES:			
Current liabilities:			
Accounts payable	\$69,644	\$87,461	\$34,784
Income taxes payable	6,076	2,459	1,749
Accrued expenses and other current liabilities	101,094	101,586	90,241
Total current liabilities	176,814	191,506	126,774
Long-term liabilities:			
Deferred rent liabilities	90,948	92,598	95,702
Other tax liabilities	7,607	7,864	8,965
Other long-term liabilities	8,293	10,493	5,939
Total liabilities	283,662	302,461	237,380
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; 22,872, 23,179 and 24,435 issued; 22,843, 23,155 and 24,412 outstanding	2,287	2,318	2,443
Additional paid-in capital	217,447	215,691	209,967
Treasury stock, at cost (29, 24, 23 shares)	(1,388) (1,119) (1,062
Deferred compensation	1,388	1,119	1,062
Accumulated other comprehensive income	12,040	13,258	15,394

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Retained earnings	389,636	389,682	408,201
Total stockholders' equity	621,410	620,949	636,005
Total liabilities and stockholders' equity	\$905,072	\$923,410	\$873,385

See accompanying notes to these condensed consolidated financial statements.

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

(Unaudited)

(In thousands, except per share amounts)

	Thirteen Weeks Ended	
	May 4, 2013	April 28, 2012
Net sales	\$423,164	\$438,508
Cost of sales	259,896	259,863
Gross profit	163,268	178,645
Selling, general and administrative expenses	119,008	122,283
Asset impairment charges	—	1,250