

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 17, 2011

THE CHILDREN'S PLACE RETAIL STORES, INC.
(Exact Name of Registrants as Specified in Their Charters)

Delaware
(State or Other Jurisdiction of Incorporation)

0-23071
(Commission File Number)

31-1241495
(IRS Employer Identification No.)

500 Plaza Drive, Secaucus, New Jersey
(Address of Principal Executive Offices)

07094
(Zip Code)

(201) 558-2400
(Registrant's Telephone Number, Including Area Code)

(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.

On November 17, 2011, the Company issued a press release containing the Company's financial results for the third quarter of the fiscal year ending January 28, 2012 ("Fiscal 2011"), updating its earnings guidance range for Fiscal 2011 and providing a preliminary estimated range of earnings per diluted share from continuing operations for the fourth quarter of Fiscal 2011. A copy of the press release is being furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information under 2.02 in this report, including Exhibit 99.1, is being furnished pursuant to Item 2.02 of Form 8-K, insofar as it discloses historical information regarding the Company's results of operations and financial condition as of and for the third quarter of Fiscal 2011. In accordance with General Instructions B.2 of Form 8-K, such information in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act"), as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statement and Exhibits.

(d) Exhibits

Exhibit 99.1 Press release, dated November 17, 2011, issued by the Company (Exhibit 99.1 is furnished as part of this Current Report on Form 8-K).

Forward Looking Statements

This Current Report on Form 8-K, including Exhibit 99.1, contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to statements relating to the Company's positioning, and forecasts regarding store openings, sales, gross margin and earnings per diluted share from continuing operations. Forward-looking statements typically are identified by use of terms such as "may," "will," "should," "plan," "project," "expect," "anticipate," "estimate" and similar words, although some forward-looking statements are expressed differently. These forward-looking statements are based upon the Company's current expectations and assumptions and are subject to various risks and uncertainties that could cause actual results and performance to differ materially. Some of these risks and uncertainties are described in the Company's filings with the Securities and Exchange Commission, including in the "Risk Factors" section of its annual report on Form 10-K for the fiscal year ended January 29, 2011. Included among the risks and uncertainties that could cause actual results and performance to differ materially are the risk that the Company will be unsuccessful in gauging fashion trends and changing consumer preferences, the risks resulting from the highly competitive nature of the Company's business and its dependence on consumer spending patterns, which may be affected by a further downturn in the economy or by other factors such as increases in the cost of gasoline and food, and the risk that the cost of raw materials or energy prices will increase beyond current expectations or that the Company is unable to offset cost increases through value engineering or price increases. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they were made. The Company undertakes no obligation to release publicly any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

* * *

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.

Date: November 17, 2011

THE CHILDREN'S PLACE RETAIL STORES, INC.

By: /s/ Jane Elfers

Name: Jane Elfers

Title: President and Chief Executive Officer

THE CHILDREN'S
PLACE

FOR IMMEDIATE RELEASE

THE CHILDREN'S PLACE REPORTS THIRD QUARTER 2011 FINANCIAL RESULTS

Management Updates Fiscal 2011 Earnings Guidance

Secaucus, New Jersey – November 17, 2011 – The Children's Place Retail Stores, Inc. (Nasdaq: PLCE), the largest pure-play children's specialty apparel retailer in North America, today announced third quarter net sales of \$484.1 million for the thirteen weeks ended October 29, 2011, a 7% increase compared to \$453.4 million in the third quarter of fiscal 2010. Comparable retail sales increased 0.9% in the quarter.

Gross margin expanded 110 basis points to 41.3% for the third quarter of 2011, compared to 40.2% the prior year. Income from continuing operations after tax was \$33.7 million, or \$1.33 per diluted share, in the third quarter of 2011, compared to \$31.2 million, or \$1.14 per diluted share, in the third quarter of 2010.

Jane Elfers, President and Chief Executive Officer, commented, "The Children's Place delivered solid financial results for the quarter, including positive comparable retail sales, accelerated total sales growth, continued gross margin expansion and a strong earnings per share increase. We attribute these results to a combination of our enhanced merchandise offerings, our intense focus on inventory management and the momentum from our other strategic growth initiatives which enabled us to drive sales and expand margin despite significantly higher product costs and a difficult macroeconomic environment."

Fiscal Year-to-Date

Net sales increased 3% to \$1,258.4 million fiscal year-to-date 2011, compared to \$1,220.8 million for the same period last year. Comparable retail sales declined 2.4% fiscal year-to-date.

Gross margin expanded 70 basis points to 39.7%, compared to 39.0% fiscal year-to-date 2010. Income from continuing operations after tax was \$53.0 million, or \$2.05 per diluted share, fiscal year-to-date 2011, compared to \$50.9 million, or \$1.83 per diluted share, last year.

Store Openings and Closures

During the third quarter of 2011, The Children's Place opened 18 stores and closed two. Fiscal year-to-date 2011, the Company has opened 88 stores and closed seven.

Share Repurchase Program

During the third quarter of fiscal 2011, the Company repurchased 647 thousand shares for approximately \$27.9 million. Fiscal year-to-date 2011, the Company repurchased 1.6 million shares for approximately \$74.5 million. At the end of the third quarter, \$35.6 million of the \$100 million share repurchase program authorized in March 2011 remained available for future share repurchases. Under the 2011 share repurchase program, the Company may repurchase shares in the open market at current market prices at the time of purchase or in privately negotiated transactions. The timing and actual number of shares repurchased under the program will depend on a variety of factors including price, corporate and regulatory requirements, and other market and business conditions. The Company may suspend or discontinue the program at any time, and may thereafter reinstitute purchases, all without prior announcement.

Outlook

The Company updated its guidance for fiscal 2011 and now projects earnings per diluted share from continuing operations will be in the range of \$3.24 to \$3.29 for fiscal 2011, compared to its previous guidance of \$3.13 to \$3.25. The Company is providing initial guidance for earnings per diluted share from continuing operations for the fourth quarter of 2011 to be in the range of \$1.19 to \$1.24, assuming flat to slightly positive comparable retail sales.

The Company expects gross margin expansion of 30 to 50 basis points in fiscal 2011 due to a higher IMU, lower markdowns and disciplined inventory management. SG&A is expected to deleverage 60 to 80 basis points, as the Company anticipates higher variable and equity compensation payout in fiscal 2011. In addition, the Company plans to remodel 12 stores in January 2012 which is expected to negatively impact earnings by approximately 4 cents per diluted share for the fourth quarter and fiscal 2011.

The earnings guidance for the fourth quarter and fiscal 2011 assumes that currency exchange rates will remain where they are today, and does not include the impact of further potential share repurchases.

Conference Call Information

The Children's Place will host a conference call to discuss its third quarter 2011 results today at 8:00 a.m. Eastern Time. The call will be broadcast live at <http://investor.childrensplace.com>. An audio archive will be available on the Company's website approximately one hour after the conclusion of the call.

About The Children's Place Retail Stores, Inc.

The Children's Place is the largest pure-play children's specialty apparel retailer in North America. The Company designs, contracts to manufacture and sells fashionable, high-quality merchandise at value prices, primarily under the proprietary "The Children's Place" brand name. As of October 29, 2011, the Company operated 1,076 stores and an online store at www.childrensplace.com.

Forward-Looking Statements

This press release (and the above referenced call) may contain certain forward-looking statements regarding future circumstances, including statements relating to the Company's positioning, and forecasts regarding sales, gross margin and earnings per diluted share from continuing operations. These forward-looking statements are based upon the Company's current expectations and assumptions and are subject to various risks and uncertainties that could cause actual results and performance to differ materially. Some of these risks and uncertainties are described in the Company's filings with the Securities and Exchange Commission, including in the "Risk Factors" section of its annual report on Form 10-K for the fiscal year ended January 29, 2011. Included among the risks and uncertainties that could cause actual results and performance to differ materially are the risk that the Company will be unsuccessful in gauging fashion trends and changing consumer preferences, the risks resulting from the highly competitive nature of the Company's business and its dependence on consumer spending patterns, which may be affected by a further downturn in the economy or by other factors such as increases in the cost of gasoline and food, and the risk that the cost of raw materials or energy prices will increase beyond current expectations or that the Company is unable to offset cost increases through value engineering or price increases. Readers (or listeners on the call) are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they were made. The Company undertakes no obligation to release publicly any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. The inclusion of any statement in this release does not constitute an admission by the Company or any other person that the events or circumstances described in such statement are material.

CONTACT: Jane Singer, VP, Investor Relations, (201) 453-6955

(Tables Follow)

Table 1
THE CHILDREN'S PLACE RETAIL STORES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

| | Third Quarter Ended | | Year-to-Date Ended | |
|--|---------------------|---------------------|---------------------|---------------------|
| | October 29, 2011 | October 30, 2010 | October 29, 2011 | October 30, 2010 |
| Net sales | \$ 484,085 | \$ 453,395 | \$ 1,258,399 | \$ 1,220,829 |
| Cost of sales | 284,034 | 271,052 | 759,136 | 745,208 |
| Gross profit | 200,051 | 182,343 | 499,263 | 475,621 |
| Selling, general and administrative expenses | 126,741 | 114,210 | 355,348 | 334,946 |
| Asset impairment charges | 369 | 354 | 1,747 | 2,506 |
| Depreciation and amortization | 18,493 | 17,738 | 54,722 | 53,562 |
| Operating income | 54,448 | 50,041 | 87,446 | 84,607 |
| Interest (expense), net | (70) | (390) | (655) | (1,227) |
| Income from continuing operations before income taxes | 54,378 | 49,651 | 86,791 | 83,380 |
| Provision for income taxes | 20,686 | 18,493 | 33,792 | 32,483 |
| Income from continuing operations | 33,692 | 31,158 | 52,999 | 50,897 |
| Income from discontinued operations, net of income taxes | - | 151 | - | 81 |
| Net income | <u>\$ 33,692</u> | <u>\$ 31,309</u> | <u>\$ 52,999</u> | <u>\$ 50,978</u> |
| Basic earnings per share amounts | | | | |
| Income from continuing operations | \$ 1.34 | \$ 1.16 | \$ 2.07 | \$ 1.86 |
| Income from discontinued operations | - | 0.01 | - | - |
| Net income | <u>\$ 1.34</u> | <u>\$ 1.16</u> | <u>\$ 2.07</u> | <u>\$ 1.86</u> |
| Basic weighted average common shares outstanding | 25,121 | 26,907 | 25,657 | 27,415 |
| Diluted earnings per share amounts | | | | |
| Income from continuing operations | \$ 1.33 | \$ 1.14 | \$ 2.05 | \$ 1.83 |
| Income from discontinued operations | - | 0.01 | - | - |
| Net income | <u>\$ 1.33</u> | <u>\$ 1.15</u> | <u>\$ 2.05</u> | <u>\$ 1.84</u> |
| Diluted weighted average common shares outstanding | 25,279 | 27,238 | 25,868 | 27,764 |

Note: Table may not add due to rounding

Table 2
THE CHILDREN'S PLACE RETAIL STORES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

| | October 29, 2011 | January 29, 2011* | October 30, 2010 |
|---|---------------------|----------------------|---------------------|
| Assets: | | | |
| Cash and investments | \$ 152,621 | \$ 185,915 | \$ 172,745 |
| Accounts receivable | 25,867 | 16,121 | 20,945 |
| Inventories | 256,425 | 210,523 | 232,902 |
| Other current assets | 54,448 | 65,142 | 71,326 |
| Total current assets | 489,361 | 477,701 | 497,918 |
| Property and equipment, net | 326,623 | 320,601 | 317,564 |
| Other assets, net | 58,196 | 56,029 | 59,961 |
| Total assets | \$ 874,180 | \$ 854,331 | \$ 875,443 |
| Liabilities and Stockholders' Equity: | | | |
| Accounts payable | \$ 54,960 | \$ 50,730 | \$ 79,626 |
| Accrued expenses and other current liabilities | 94,161 | 79,666 | 97,853 |
| Total current liabilities | 149,121 | 130,396 | 177,479 |
| Other liabilities | 118,418 | 116,208 | 118,291 |
| Total liabilities | 267,539 | 246,604 | 295,770 |
| Stockholders' equity | 606,641 | 607,727 | 579,673 |
| Total liabilities and stockholders' equity | \$ 874,180 | \$ 854,331 | \$ 875,443 |

* Derived from the audited consolidated financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended January 29, 2011.

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