

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) March 9, 2006

THE CHILDREN'S PLACE RETAIL STORES, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

0-23071

31-1241495

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(IRS Employer ID
Number)

915 Secaucus Road, Secaucus, New Jersey

07094

(Address of principal executive offices)

(Zip Code)

Registrant's Telephone Number, including area code: (201) 558-2400

Not Applicable

(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:

- 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))

Item 2.02 Results of Operations and Financial Condition

On March 9, 2006, The Children's Place Retail Stores, Inc. (the "Company")
issued a press release announcing certain financial information for the fourth
quarter and fiscal year ended January 28, 2006. A copy of the Company's press
release is included as Exhibit 99.1 hereto.

Item 9.01 Financial Statements and Exhibits

- (a) Financial Statements of Business Acquired: Not applicable
- (b) Pro Forma Financial Information: Not applicable
- (c) Exhibits:

99.1 Press Release dated March 9, 2006.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE CHILDREN'S PLACE RETAIL
STORES, INC.

By: /s/ Hiten Patel

Name: Hiten Patel
Title: Senior Vice President and Chief
Financial Officer

Dated: March 9, 2006

INDEX TO EXHIBITS

Current Report on Form 8-K
dated March 9, 2006
The Children's Place Retail Stores, Inc.

99.1 Press Release dated March 9, 2006.

The Children's Place Retail Stores, Inc. Reports
 Fiscal Fourth Quarter and 2005 Financial Results; GAAP Earnings
 Per Share Increased 85% to \$1.57 for the Fourth Quarter and
 46% to \$2.27 for Fiscal 2005, In-Line with Guidance

SECAUCUS, N.J.--(BUSINESS WIRE)--March 9, 2006--The Children's Place Retail Stores, Inc. (Nasdaq: PLCE) today reported financial results for the fourth quarter and fiscal year ended January 28, 2006.

Fourth Quarter

- Consolidated net sales for the fourth quarter increased 17% to \$539.7 million, compared to \$462.1 million last year. Fourth quarter sales were comprised of \$355.1 million from The Children's Place, a 19% increase over last year, and \$184.6 million in sales from Disney Store, compared to \$163.4 million for Disney Store last year. Fiscal 2005 fourth quarter sales results included 13 weeks of sales at Disney Store versus 10 weeks last year.
- Comparable store sales for The Children's Place increased 11% in the quarter, on top of a 17% increase last year. Fourth quarter comparable store sales exclude the Disney Store brand, which did not enter the comparable store sales base until February 2006, consistent with the Company's comparable store sales definition.
- Net income increased 91% to \$45.7 million versus \$23.9 million including extraordinary gain last year.
- Diluted earnings per share increased 85% for the quarter to \$1.57, compared to diluted earnings per share including extraordinary gain of \$0.85 for the fourth quarter last year.
- The Company opened 16 Children's Place stores and two Disney Stores during the fourth quarter. In addition, the Company closed six Disney Stores.

The above GAAP net income and earnings per share results include:

- a \$2.1 million, or \$0.07 per share, charge related to the accelerated vesting of certain stock options; and
- a \$0.3 million, or \$0.01 per share, charge reflecting the Company's announcement last week to retrospectively apply FSP FAS No. 13-1, the expensing of rent during construction.

Excluding the above items, fourth quarter earnings per share would have been \$1.65, in-line with previous guidance.

Fiscal Year 2005

- Net sales for the fiscal year increased 44% to \$1.669 billion, from \$1.158 billion for 2004. Fiscal 2005 sales were comprised of \$1.171 billion from The Children's Place, an 18% increase over last year, and \$497.7 million in sales from the Company's Disney Store business.
- Comparable store sales for The Children's Place increased 9% for the year, compared to a 16% increase last year.
- Net income including extraordinary gain increased 53% to \$65.6 million versus \$42.8 million including extraordinary gain last year.
- Diluted earnings per share including extraordinary gain increased 46% to \$2.27, compared to diluted earnings per share including extraordinary gain of \$1.55 in fiscal 2004.
- The Company opened 55 Children's Place stores and 18 Disney Stores in fiscal 2005. In addition, the Company closed three Children's Place stores and seven Disney Stores.

For fiscal 2005, the impact of FSP FAS No. 13-1 was approximately \$2.4 million, or \$0.05 per share. Excluding this item and the accelerated vesting of stock options, fiscal 2005 earnings per share including extraordinary gain would have been \$2.39.

"Fiscal 2005 was another great year for our Company. The

Children's Place brand continued to gain market share and the growth and leverage achieved in the fourth quarter was a testament to our scaleable systems infrastructure, strong team and management depth," said Ezra Dabah, Chairman and Chief Executive Officer of The Children's Place. "At Disney Store, while the fourth quarter proved challenging, we have made progress in positioning the business for success and we look to 2006 with excitement. Disney has a great line-up of new content coming up this year, and we have aligned our merchandise strategies to capitalize on these events in a big way. We continue to believe that The Children's Place and Disney Store can grow up to 1,800 stores across North America, leaving us with 700 stores still to open. I am confident that both brands have substantial opportunity to deliver significant, profitable growth for many years to come."

The Children's Place will host a webcast of its fourth quarter conference call today at 9:00 a.m., Eastern Time. Interested parties are invited to listen to the call at the Company's web site, www.childrensplace.com. An archive of the webcast will be available on the site through Thursday, March 16, 2006.

The Children's Place Retail Stores, Inc., is a leading specialty retailer of children's merchandise. The Company designs, contracts to manufacture and sells high-quality, value-priced merchandise under the proprietary "The Children's Place" and licensed "Disney Store" brand names. As of February 25, 2006, the Company owned and operated 802 The Children's Place stores and 316 Disney Stores in North America and its online store, www.childrensplace.com.

This press release and above referenced call may contain certain forward-looking statements regarding future circumstances. 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 to differ materially from those contemplated in such forward-looking statements including, in particular, the risks and uncertainties described in the Company's filings with the Securities and Exchange Commission. Actual results, events, and performance may differ. 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 hereof. We undertake 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 Children's Place or any other person that the events or circumstances described in such statement are material.

(Tables Follow)

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

	13 Weeks Ended:		52 Weeks Ended:	
	January 28, 2006	January 29, 2005	January 28, 2006	January 29, 2005
	-----	-----	-----	-----
Net sales	\$539,718	\$462,108	\$1,668,736	\$1,157,548
Cost of sales	304,252	281,659	1,007,496	705,681
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Gross profit	235,466	180,449	661,240	451,867
Selling, general and administrative expenses	144,641	130,035	505,684	333,718
Depreciation and amortization	15,260	12,646	52,886	49,049
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Operating income	75,565	37,768	102,670	69,100
Interest (income) expense, net	(272)	177	(563)	22
	-----	-----	-----	-----
Income before income taxes and extraordinary gain	75,837	37,591	103,233	69,078
Provision for income taxes	30,143	13,983	39,322	26,595
Income before extraordinary gain	45,694	23,608	63,911	42,483
Extraordinary gain, net of taxes	0	273	1,664	273

Net income	\$45,694	\$23,881	\$65,575	\$42,756
Basic net income per common share before extraordinary gain	\$1.64	\$0.87	\$2.31	\$1.58
Extraordinary gain, net of taxes	0.00	0.01	0.06	0.01
Basic net income per common share	\$1.64	\$0.88	\$2.37	\$1.59
Basic weighted average common shares outstanding	27,899	27,076	27,676	26,919
Diluted net income per common share before extraordinary gain	\$1.57	\$0.84	\$2.21	\$1.54
Extraordinary gain, net of taxes	0.00	0.01	0.06	0.01
Diluted net income per common share	\$1.57	\$0.85	\$2.27	\$1.55
Diluted weighted average common shares and common share equivalents outstanding	29,127	28,106	28,877	27,633

Note: Periods presented include the retrospective application of FAS FSP 13-1.

THE CHILDREN'S PLACE RETAIL STORES, INC.
RETROSPECTIVE APPLICATION OF FSP FAS 13-1
(In thousands, except per share amounts)
(Unaudited)

	13 Weeks Ended January 29, 2005		
	Reported	Adjustments	Adjusted
Net sales	\$462,108	\$ --	\$462,108
Cost of sales	281,659	--	281,659
Gross profit	180,449	--	180,449
Selling, general and administrative expenses	129,146	889	130,035
Depreciation and amortization	13,383	(737)	12,646
Operating income	37,920	(152)	37,768
Interest expense (income), net	177	--	177
Income before income taxes and extraordinary gain	37,743	(152)	37,591
Provision for income taxes	14,041	(58)	13,983
Income before extraordinary gain	23,702	(94)	23,608
Extraordinary gain (net of taxes)	273	--	273
Net income	\$23,975	\$(94)	\$23,881
Basic income per share	\$0.89	\$(0.01)	\$0.88
Basic weighted average number of shares outstanding	27,076	27,076	27,076
Diluted income per share	\$0.85	\$0.00	\$0.85
Diluted weighted average number of shares outstanding	28,106	28,106	28,106

	52 Weeks Ended January 29, 2005		
	Reported	Adjustments	Adjusted

Net sales	\$1,157,548	\$ --	\$1,157,548
Cost of sales	705,681	--	705,681
Gross profit	451,867	--	451,867
Selling, general and administrative expenses	330,080	3,638	333,718
Depreciation and amortization	51,835	(2,786)	49,049
Operating income	69,952	(852)	69,100
Interest expense (income), net	22	--	22
Income before income taxes and extraordinary gain	69,930	(852)	69,078
Provision for income taxes	26,923	(328)	26,595
Income before extraordinary gain	43,007	(524)	42,483
Extraordinary gain (net of taxes)	273	--	273
Net income	\$43,280	\$(524)	\$42,756
Basic income per share	\$1.61	\$(0.02)	\$1.59
Basic weighted average number of shares outstanding	26,919	26,919	26,919
Diluted income per share	\$1.57	\$(0.02)	\$1.55
Diluted weighted average number of shares outstanding	27,633	27,633	27,633

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

	January 28, 2006	January 29, 2005
Current assets:		
Cash and investments	\$173,323	\$165,196
Accounts receivable	28,971	23,987
Inventories	214,702	161,969
Other current assets	43,875	41,007
Total current assets	460,871	392,159
Property and equipment, net	246,516	204,443
Other assets, net	36,865	19,558
Total assets	\$744,252	\$616,160
Current liabilities:		
Revolving credit facility	\$ 0	\$37,268
Accounts payable	81,800	78,106
Accrued expenses and other current liabilities	131,204	99,575
Total current liabilities	213,004	214,949
Other liabilities	138,390	100,305
Total liabilities	351,394	315,254
Stockholders' equity	392,858	300,906
Total liabilities and stockholders' equity	\$744,252	\$616,160

Note: Periods presented include the retrospective application of FAS FSP 13-1.

THE CHILDREN'S PLACE RETAIL STORES, INC.
SEGMENT INFORMATION
(In millions)

(Unaudited)

Thirteen Weeks Ended January 28, 2006

	The Children's Place	Disney Store	Shared Services (1)	Total Company
Net sales	\$ 355.1	\$ 184.6	\$ -	\$539.7
Segment operating profit (loss)(1)	76.1	19.0	(19.5)	75.6
Operating profit as a percent of net sales	21.4%	10.3%	N/A	14.0 %

Fifty-Two Weeks Ended January 28, 2006

	The Children's Place	Disney Store	Shared Services(1)	Total Company
Net sales	\$ 1,171.0	\$497.7	\$ -	\$1,668.7
Segment operating profit (loss)(1)	170.0	(3.4)	(63.9)	102.7
Operating profit (loss) as a percent of net sales	14.5%	(0.7)%	N/A	6.2%

(1) The \$2.1 million expense for the acceleration of vesting of certain stock options is recorded in Shared Services.

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