

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)

February 26, 2004

THE CHILDREN'S PLACE RETAIL STORES, INC.

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction  
of incorporation)

0-23071  
(Commission  
File Number)

31-1241495  
(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

(Former name or former address, if changed since last report)

**Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.**

**(c) Exhibits**

<u>Exhibit Number</u>	<u>Description</u>
99	Press release dated February 26, 2004.

**Item 12. Results of Operations and Financial Condition.**

On February 26, 2004, The Children's Place Retail Stores, Inc. issued a press release announcing financial information for the fiscal quarter and fiscal year ended January 31, 2004. A copy of this press release is included as Exhibit 99 hereto.

[Remainder of page intentionally left blank;  
signature on following page.]

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/ Seth L. Udasin

Name: Seth L. Udasin

Title: Vice President and Chief Financial Officer

Dated: February 26, 2004

INDEX TO EXHIBITS

Current Report on Form 8-K  
Dated February 26, 2004

The Childrens Place Retail Stores, Inc

Exhibit No.	Description
99	Press Release issued by the Company on February 26, 2004

## PRESS RELEASE

FOR IMMEDIATE RELEASE

**THE CHILDREN'S PLACE REPORTS 2003 FOURTH QUARTER  
AND FISCAL YEAR FINANCIAL RESULTS**

- ~ Net Sales Increased 19% for the Fourth Quarter; Comparable Store Sales Increased 9% ~  
~ Earnings Per Share Increased to \$0.55, Compared to \$0.09 Last Year ~  
~ February Comparable Store Sales Up 22% Month-to-Date ~

**Secaucus, New Jersey - February 26, 2004** - The Children's Place Retail Stores, Inc. (Nasdaq: PLCE) today reported financial results for the fourth quarter and fiscal year ended January 31, 2004.

Fourth Quarter

- Net sales for the fourth quarter increased 19% to \$234.6 million, compared with \$196.7 million for the same period in 2002.
- Comparable store sales increased 9% in the quarter, versus a 19% decrease for the same period last year.
- Net income was \$15.2 million, compared to net income of \$2.3 million a year earlier.
- Earnings per share were \$0.55 compared to earnings per share of \$0.09 in the fiscal 2002 period.
- The Company opened four new stores and closed two during the fourth quarter.

Fiscal Year 2003

- Net sales for the fiscal year increased 19% to \$797.9 million, from \$671.4 million in 2002.
- Comparable store sales increased 4% for the fiscal year, compared to a 16% decrease last year.
- Net income was \$23.0 million, compared to net income of \$8.9 million last year.
- Earnings per share were \$0.85 compared to earnings per share of \$0.33 in 2002.
- The Company opened 53 new stores and closed five during the fiscal year.

The Company also noted that February comparable store sales are up 22% month-to-date.

"Our strategy to consistently deliver fashion, value, and quality to our customers is well on target," said Ezra Dabah, Chairman and Chief Executive Officer of The Children's Place. "Our fiscal 2003 performance reveals the successful execution of that strategy. We are gaining market share, enhancing our brand message, and most importantly we are achieving strong customer acceptance of our merchandise offerings."

"In 2004, we will build upon our solid foundation by focusing on increasing store productivity as our number one priority. We have significant growth ahead of us with several key initiatives underway: increasing customer conversion; continued emphasis on merchandise quality; further elevating our brand image; maximizing our outlet business; and continued expansion into Canada, Puerto Rico, and the Western United States. We have a strong management team in place and we are confident in our long term success in the 0 to 10 age market."

The Children's Place will host a webcast of its fourth quarter conference call today at 10:00 a.m., Eastern Time. Interested parties are invited to listen to the call at the Company's web site, [www.childrensplace.com](http://www.childrensplace.com). An archive of the webcast will be available on the site through Wednesday, March 3, 2004.

The Children's Place Retail Stores, Inc. is a leading specialty retailer of high quality, value-priced apparel and accessories for children, newborn to age ten. The Company designs, contracts to manufacture and sells its products under the "The Children's Place" brand name. As of January 31, 2004, the Company operated 691 stores, including 649 stores in the United States and 42 stores in Canada. The Company also sells its merchandise through its virtual store located at [www.childrensplace.com](http://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.*

Contact: The Children's Place  
Seth Udasin, Chief Financial Officer, 201/558-2409  
Heather Anthony, Director, Investor Relations, 201/558-2865

(Tables Follow)

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

	13 Weeks Ended:		52 Weeks Ended:	
	January 31,	February 1,	January 31,	February 1,
	2004	2003	2004	2003
Net sales	\$ 234,569	\$ 196,664	\$ 797,938	\$ 671,409
Cost of sales	133,952	125,229	485,671	422,721
Gross profit	100,617	71,435	312,267	248,688
Selling, general and administrative expenses	65,831	53,988	235,293	194,907
Asset impairment charges	448	3,170	448	3,170
Depreciation and amortization	10,471	9,735	40,028	35,746
Operating income	23,867	4,542	36,498	14,865
Interest expense (income), net	(127)	(64)	(255)	(547)
Income before income taxes	23,994	4,606	36,753	15,412
Provision for income taxes	8,819	2,317	13,796	6,478
Net income	\$ 15,175	\$ 2,289	\$ 22,957	\$ 8,934
Basic income per share	\$ 0.57	\$ 0.09	\$ 0.86	\$ 0.34
Basic weighted average number of shares outstanding	26,726	26,562	26,646	26,501
Diluted income per share	\$ 0.55	\$ 0.09	\$ 0.85	\$ 0.33
Diluted weighted average number of shares outstanding	27,510	26,718	27,099	26,978

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

	January 31, 2004	February 1, 2003
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	(Unaudited)	
Current assets:		
Cash and cash equivalents	\$ 74,772	\$ 36,645
Accounts receivable	8,462	13,571
Inventories	96,128	75,417
Other current assets	20,070	19,570
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Total current assets	199,432	145,203
Property and equipment, net	144,610	155,000
Other assets, net	13,979	9,125
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Total assets	\$ 358,021	\$ 309,328
	=====	=====
Current liabilities:		
Revolving credit facility	\$ 0	\$ 0
Accounts payable	35,173	30,805
Accrued expenses and other current liabilities	49,984	35,124
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Total current liabilities	85,157	65,929
Other liabilities	17,956	14,391
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Total liabilities	103,113	80,320
Stockholders' equity	254,908	229,008
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Total liabilities and stockholders' equity

\$ 358,021  
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\$309,328  
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