

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)

May 19, 2005

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, 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 May 19, 2005, The Children's Place Retail Stores, Inc. (the "Company") issued a press release announcing certain financial information for the fiscal quarter ended April 30, 2005, as well as the Company's outlook for fiscal 2005. 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 May 19, 2005.

[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/ Hiten Patel

Name: Hiten Patel

Title: Senior Vice President and Chief Financial Officer

Dated: May 19, 2005

INDEX TO EXHIBITS

Current Report on Form 8-K
dated May 19, 2005

The Children's Place Retail Stores, Inc.

99.1 Press Release dated May 19, 2005.

THE CHILDREN'S
PLACE

FOR IMMEDIATE RELEASE

THE CHILDREN'S PLACE REPORTS 2005 FIRST QUARTER FINANCIAL RESULTS

- ~ Net Sales Increased 64%; Comparable Store Sales Increased 13% ~
- ~ Company Reports First Quarter GAAP Earnings Per Share of \$0.36 ~
- ~ Company Reiterates Fiscal 2005 GAAP Earnings Per Share Guidance of \$2.15 to \$2.25 ~

Secaucus, New Jersey - May 19, 2005 - The Children's Place Retail Stores, Inc. (Nasdaq: PLCE) today reported financial results for the first quarter ended April 30, 2005.

- As previously announced, total consolidated net sales for the first quarter increased 64% to \$369.2 million, compared with \$225.8 million a year earlier. First quarter net sales were comprised of \$280.7 million in sales from The Children's Place, a 24% increase over last year, and \$88.5 million in sales from the Company's Disney Store business.
- Comparable store sales increased 13% in the quarter, on top of a 16% increase for the same period last year.
- Net income was \$10.2 million, compared to net income of \$11.5 million for the same period in 2004.
- Diluted GAAP earnings per share were \$0.36 compared with \$0.42 in the fiscal 2004 period. This also compares to the Company's recent GAAP earnings per share guidance of \$0.33 to \$0.34. Earnings per share results reflected the remaining \$1.2 million, or \$0.03 per share, non-cash charge related to acquired Disney Store inventory.
- The Company opened four Children's Place stores and closed one store during the first quarter. In addition, the Company opened one Disney Store, and closed one store during the first quarter.

"We are pleased with our first quarter financial results, which reflect improved profitability at The Children's Place and lower than previously guided to operating losses at Disney Store," said Ezra Dabah, Chairman and Chief Executive Officer of The Children's Place. "At The Children's Place brand, everyday we are earning the trust of new customers, with continued increases in traffic, conversion, and market share. At Disney Store, we are pleased with the progress we are making on our merchandising and sourcing initiatives, and we are intensely focused on execution to ensure a successful second half of the year."

The Company also stated that it anticipates May comparable store sales to be in the positive low-single digits and reiterated its previous fiscal 2005 guidance of \$2.15 to \$2.25 per share.

The Children's Place will host a webcast of its first 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. An archive of the webcast will be available on the site through Thursday, May 26, 2005.

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 April 30, 2005, the Company owned and operated 753 The Children's Place stores, and 306 Disney Stores across North America. The Company also sells its merchandise through its virtual store located at 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
Heather Anthony, Senior Director, Investor Relations, 201/558-2865

(Tables Follow)

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

| | 13 Weeks Ended: | |
|----------------------------------------------|-----------------|---------------|
| | April 30, 2005 | May 1, 2004 |
| | | (As Restated) |
| Net sales | \$ 369,217 | \$ 225,779 |
| Cost of sales | 227,687 | 131,596 |
| Gross profit | 141,530 | 94,183 |
| Selling, general and administrative expenses | 112,021 | 62,680 |
| Depreciation and amortization | 12,875 | 12,622 |
| Operating income | 16,634 | 18,881 |
| Interest income, net | (95) | (25) |
| Income before income taxes | 16,729 | 18,906 |
| Provision for income taxes | 6,524 | 7,373 |

| | | |
|---------------------------------------------------------------------------------|-----------|-----------|
| Net income | \$ 10,205 | \$ 11,533 |
| | ===== | ===== |
| Basic net income per common share | \$ 0.37 | \$ 0.43 |
| Basic weighted average common shares outstanding | 27,383 | 26,813 |
| Diluted net income per share | \$ 0.36 | \$ 0.42 |
| Diluted weighted average common shares and common share equivalents outstanding | 28,611 | 27,657 |

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

| | April 30, 2005 | January 29, 2005 | May 1, 2004 |
|------------------------------------------------|----------------|------------------|---------------|
| | ----- | ----- | ----- |
| Current assets: | | | (As Restated) |
| Cash and investments | \$ 148,982 | \$ 165,196 | \$ 84,295 |
| Accounts receivable | 21,831 | 23,987 | 9,879 |
| Inventories | 158,200 | 161,969 | 100,731 |
| Other current assets | 41,902 | 41,007 | 22,014 |
| | ----- | ----- | ----- |
| Total current assets | 370,915 | 392,159 | 216,919 |
| Property and equipment, net | 220,330 | 222,722 | 211,989 |
| Other assets, net | 12,890 | 12,507 | 15,565 |
| | ----- | ----- | ----- |
| Total assets | \$ 604,135 | \$ 627,388 | \$ 444,473 |
| | ===== | ===== | ===== |
| Current liabilities: | | | |
| Revolving loan | \$ 0 | \$ 37,268 | \$ 0 |
| Accounts payable | 87,526 | 78,106 | 43,622 |
| Accrued expenses and other current liabilities | 83,114 | 99,575 | 46,408 |
| | ----- | ----- | ----- |
| Total current liabilities | 170,640 | 214,949 | 90,030 |
| Other liabilities | 105,316 | 100,776 | 85,972 |
| | ----- | ----- | ----- |
| Total liabilities | 275,956 | 315,725 | 176,002 |
| Stockholders' equity | 328,179 | 311,663 | 268,471 |
| | ----- | ----- | ----- |
| Total liabilities and stockholders' equity | \$ 604,135 | \$ 627,388 | \$ 444,473 |
| | ===== | ===== | ===== |

###