

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): May 3, 2007

THE CHILDREN'S PLACE RETAIL STORES, INC.
(Exact name of registrant as specified in charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

0-23071
(Commission File
Number)

31-1241495
(IRS Employer
Identification No.)

915 Secaucus Road, Secaucus, New Jersey, 07094
(Address of Principal Executive Offices) (Zip Code)

(201) 558-2400
(Registrant's telephone number, including area code)

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))
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Item 2.02 Results of Operations and Financial Condition

On May 10, 2007, we issued a press release announcing certain financial information for the fiscal month and quarter ended May 5, 2007 and updated guidance for the first quarter and for fiscal year 2007.

A copy of our press release relating to the foregoing is attached hereto as Exhibit 99.1 and is incorporated in this Item 2.02 by reference.

The information contained under this Item 2.02 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or 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 8.01 Other Events

In our May 10, 2007 press release we announced that due to our previously announced restatement of financial results, we will postpone our annual stockholder meeting, originally scheduled for June 21, 2007. We will announce a new date for our annual stockholder meeting after we file our annual report on Form 10-K.

We are currently involved in a lawsuit filed in the California Superior Court by a former employee of the Company alleging violations of the California Labor Code and California Business and Professions Code. On May 3, 2007, the California Court of Appeal issued an order in this case directing the lower court to certify a class of former and current non-exempt managers in California. In addition, the California Supreme Court rendered a decision recently in another case, in which we are not involved as a defendant, that may have an impact on the statute of limitations for one of the claims in our case. We have denied any and all liability in this case and are assessing this recent decision.

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 10, 2007.

[SIGNATURE BLOCK FOLLOWS]

SIGNATURES

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.

THE CHILDREN'S PLACE RETAIL STORES, INC.

By: _____ /s/ Susan Riley _____

Name: Susan Riley

Title: Executive Vice President, Finance
and Administration

Dated: May 10, 2007

THE CHILDREN'S PLACE

FOR IMMEDIATE

**THE CHILDREN'S PLACE RETAIL STORES, INC. REPORTS CONSOLIDATED
APRIL SALES UP 1%; CONSOLIDATED COMPARABLE STORE SALES DOWN 2%**

~ Company Updates First Quarter, Full Year Guidance ~

~ Company Postpones Annual Shareholder Meeting ~

Secaucus, New Jersey - May 10, 2007 - The Children's Place Retail Stores, Inc. (Nasdaq: PLCE) today announced sales of \$140.3 million for the four-week period ended May 5, 2007, a 1% increase compared to sales of \$139.2 million for the four-week period ended April 29, 2006. Consolidated comparable store sales decreased 2% compared to last year's 22% increase. During April 2007, the Company opened four Children's Place stores and closed one.

Total Sales (millions):

	April 2007	April 2006	% Increase	First Quarter 2007	First Quarter 2006	% Increase
The Children's Place brand	\$ 104.2	\$ 104.2	0%	\$ 356.0	\$ 322.0	11%
Disney Store	\$ 36.1	\$ 35.0	3%	\$ 122.9	\$ 104.5	18%
Total Company	\$ 140.3	\$ 139.2	1%	\$ 478.9	\$ 426.5	12%

Comparable Store Sales Increase/(Decrease):

	April 2007	April 2006	First Quarter 2007	First Quarter 2006
The Children's Place brand	(1)%	20%	2%	9%
Disney Store	(4)%	30%	8%	16%
Total Company	(2)%	22%	4%	10%

As previously announced, due to the extra week in fiscal 2006, the Company's fiscal 2007 comparable store sales have shifted by one week as compared to the corresponding period of fiscal 2006. Any references made today and going forward regarding last year's comparable store sales results will be on the "adjusted" basis. For a breakdown of the Company's fiscal 2006 comparable store sales on an "as reported" and "as adjusted" basis, please refer to the Company's March 8, 2007, press release.

At this time, the Company anticipates reporting preliminary earnings per share of \$0.40 to \$0.42 for the first quarter of fiscal 2007, below previous guidance. While consolidated comparable stores sales results came in at the low end of previous guidance, sales were lower than planned and markdowns were higher at both brands than previously anticipated, primarily due to continued poor Spring performance at The Children's Place, lack of newness at Disney Store and the unfavorable weather experienced in April. This earnings per share range also includes approximately \$2.5 million, pre-tax, in costs paid or accrued in association with the stock option investigation and related expenses.

- more -

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For fiscal 2007, at this time, the Company anticipates earnings per share of \$3.45 to \$3.55, also below previous guidance. While the Company remains cautiously optimistic regarding the second half of the year, April results and current business trends have made it more difficult to achieve the Company's previous earnings expectation. This updated guidance reflects the \$2.5 million, pre-tax, in stock option investigation and related expenses incurred in the first quarter but does not contemplate additional residual expenses the Company may incur as a result of the conclusion of the investigation.

Separately, the Company stated that, due to its previously announced restatement of financial results, the Company will postpone its annual shareholder meeting, originally scheduled for June 21, 2007. The Company will announce a new date for its annual shareholder meeting at a later date.

In conjunction with today's April sales release, you are invited to listen to the Company's pre-recorded monthly sales call, which will be available beginning at 7:30 a.m. Eastern Time today through Thursday, May 17, 2007. To access the call, please dial (402) 220-1182 or you may listen through the Investor Relations section of the Company's website, www.childrensplace.com.

The Children's Place plans to report preliminary first quarter results on Tuesday, May 22, 2007. The Company will host a conference call on that date to be broadcast live at 10:00 a.m. Eastern Time. Interested parties are invited to listen to the call by dialing (785) 424-1053 and providing the Conference ID, PLCE. The call will also be webcast live and can be accessed via the Company's web site, www.childrensplace.com. A replay of the call will be available approximately one hour after the conclusion of the call, until midnight on May 29, 2007. To access the replay, please dial (402) 220-1182, or you may listen to the audio archive on the Company's website, www.childrensplace.com.

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 May 5, 2007, the Company owned and operated 868 The Children's Place stores and 328 Disney Stores in North America and The Children's Place online store 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, as well as the risks and uncertainties relating to the Company's stock option grants and procedures and the recently completed investigation by the special committee of the Company's Board of Directors, the previously announced pending restatement of the Company's historical financial statements, the delays in filing the Company's periodic reports with the Securities and Exchange Commission, the outcome of the informal investigation of the Company being conducted by the Securities and Exchange Commission, potential other governmental proceedings, the shareholder litigation commenced against the Company and certain of its officers and directors, and the potential impact of each of these matters on the Company, as well as matters relating to the Company's discussions with The Walt Disney Company. 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. 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: The Children's Place Retail Stores, Inc.
Heather Anthony, Senior Director, Investor Relations, (201) 558-2865
Susan LaBar, Manager, Investor Relations, (201) 453-6955

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