

**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): **November 22, 2010**

**Citi Trends, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation)

**000-51315**

(Commission File Number)

**52-2150697**

(IRS Employer Identification No.)

**104 Coleman Boulevard, Savannah, Georgia**

(Address of principal executive offices)

**31408**

(Zip Code)

Registrant's telephone number, including area code: **(912) 236-1561**

Former name or former address, if changed since last report: **Not applicable**

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))

**Item 2.02. Results of Operations and Financial Condition.**

On November 22, 2010, Citi Trends, Inc. (the "Company") issued a press release reporting its financial results for its third quarter ended October 30, 2010 (the "Earnings Announcement"). A copy of the Earnings Announcement is attached to this Current Report on Form 8-K ("Current Report") as Exhibit 99.1, the contents of which are incorporated herein solely for purposes of this Item 2.02 disclosure.

The information in this Item 2.02, including the Earnings Announcement attached to this Current Report, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of such section. The information in this Item 2.02, including the Earnings Announcement, shall not be incorporated by reference into any filings under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated November 22, 2010

**SIGNATURE**

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 thereunto duly authorized.

CITI TRENDS, INC.

Date: November 22, 2010

By: /s/ Bruce D. Smith  
Name: Bruce D. Smith  
Title: Chief Financial Officer

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**Exhibit Index**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated November 22, 2010

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**CITI TRENDS ANNOUNCES THIRD QUARTER 2010 RESULTS**  
**Third quarter sales increased 10.0%; comparable store sales decreased 4.2%**  
**Third quarter net loss of \$394,000 compared with net income of \$606,000 last year**  
**Year-to-date net income increased 35.7% to \$11.5 million**

SAVANNAH, GA (November 22, 2010) — Citi Trends, Inc. (NASDAQ: CTRN) today reported results for the third quarter of fiscal 2010.

**Financial Highlights — Third quarter ended October 30, 2010**

Total sales in the third quarter ended October 30, 2010 increased 10.0% to \$140.0 million compared with \$127.4 million in the third quarter ended October 31, 2009. Comparable store sales decreased 4.2% in the third quarter. A net loss of \$394,000 was recognized in this year's third quarter compared with net income of \$606,000 in the third quarter of 2009. Loss per diluted share was \$(0.03) in the third quarter of 2010 compared with earnings per diluted share of \$0.04 in the third quarter of 2009.

Store activity in the third quarter of 2010 included 33 new openings and 5 relocations/expansions, resulting in a total store count of 458 at the end of the quarter.

**Financial Highlights — First three quarters ended October 30, 2010**

Total sales in the first three quarters of fiscal 2010 increased 17.9% to \$450.5 million compared with \$382.1 million in the same period of fiscal 2009. Comparable store sales increased 2.2% in the first three quarters of this year. Net income increased 35.7% to \$11.5 million compared with \$8.5 million in last year's first three quarters. Earnings per diluted share increased to \$0.79 in the first three quarters of 2010 compared with \$0.58 in the same period of 2009.

**Fiscal 2010 Outlook**

The Company estimates that 2010 earnings will be in a range of \$1.50 to \$1.60 per diluted share which includes an anticipated comparable store sales decrease of 1% to 4% in the fourth quarter of 2010. The effective tax rate for 2010 is expected to be in a range of 34% to 35%.

The Company reminds investors of the complexity of accurately assessing future results given the difficulty in predicting fashion trends, consumer preferences and general economic conditions and the impact of other business variables. See "Forward-Looking Statements" below for more information regarding these uncertainties.

**Investor Conference Call and Webcast**

Citi Trends will host a conference call today at 9:00 a.m. ET. The number to call for the live interactive teleconference is (212) 231-2938. A replay of the conference call will be available until November 29, 2010, by dialing (402) 977-9140 and entering the passcode, 21463760. The live broadcast of Citi Trends' quarterly conference call will be available

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online at the Company's website, [www.cititrends.com](http://www.cititrends.com), as well as <http://ir.cititrends.com/events.cfm>, beginning today at 9:00 a.m. ET. The online replay will follow shortly after the call and continue through November 29, 2010.

During the conference call, the Company may discuss and answer questions concerning business and financial developments and trends. The Company's responses to questions, as well as other matters discussed during the conference call, may contain or constitute information that has not been disclosed previously.

**About Citi Trends**

Citi Trends, Inc. is a value-priced retailer of urban fashion apparel and accessories for the entire family. After opening 2 stores thus far in November 2010, the Company currently operates 460 stores located in 27 states. Citi Trends' website address is [www.cititrends.com](http://www.cititrends.com). CTRN-E

**Forward-Looking Statements**

*All statements other than historical facts contained in this news release, including statements regarding our future financial results and position, business policy and plans and objectives of management for future operations, are forward-looking statements that are subject to material risks and uncertainties. The words "believe," "may," "could," "plans," "estimate," "continue," "anticipate," "intend," "expect" and similar expressions, as they relate to Citi Trends, are intended to identify forward-looking statements. Statements with respect to earnings guidance are forward-looking statements. Investors are cautioned that any such forward-looking statements are subject to the finalization of the Company's quarterly financial and accounting procedures, are not guarantees of future performance or results and are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Actual results or developments may differ materially from those included in the forward-looking statements, as a result of various factors which are discussed in Citi Trends, Inc. filings with the Securities and Exchange Commission. These risks and uncertainties include, but are not limited to, uncertainties relating to economic conditions, growth risks, consumer spending patterns, competition within the industry, competition in our markets and the ability to anticipate and respond to fashion trends. Except as required by applicable law, including the securities laws of the United States and the rules and regulations of the Securities and Exchange Commission, Citi Trends does not undertake to publicly update any forward-looking statements in this news release or with respect to matters described herein, whether as a result of any new information, future events or otherwise.*

Contact: Bruce Smith  
Chief Financial Officer  
Officer  
(912) 443-2075

David Alexander  
President and Chief Executive  
(912) 443-3924

**CITI TRENDS, INC.**  
**CONDENSED STATEMENTS OF OPERATIONS (unaudited)**  
**(in thousands, except per share data)**

	<u>Thirteen Weeks Ended</u> <u>October 30, 2010</u> <u>(unaudited)</u>	<u>Thirteen Weeks Ended</u> <u>October 31, 2009</u> <u>(unaudited)</u>
Net sales	\$ 140,037	\$ 127,356
Cost of sales	88,356	79,720
Gross profit	51,681	47,636
Selling, general and administrative expenses	47,243	41,989
Depreciation and amortization	5,324	4,851
(Loss) income from operations	(886)	796
Interest income	41	85
Interest expense	(8)	(17)
Unrealized gain on investment securities	—	57
(Loss) income before income tax (benefit) expense	(853)	921
Income tax (benefit) expense	(459)	315
Net (loss) income	<u>\$ (394)</u>	<u>\$ 606</u>
Basic net (loss) income per common share	<u>\$ (0.03)</u>	<u>\$ 0.04</u>
Diluted net (loss) income per common share	<u>\$ (0.03)</u>	<u>\$ 0.04</u>
Net (loss) income attributable to common shares (1):		
Basic	<u>\$ (394)</u>	<u>\$ 593</u>
Diluted	<u>\$ (394)</u>	<u>\$ 593</u>
Weighted average shares used to compute basic net (loss) income per share	<u>14,519</u>	<u>14,370</u>
Weighted average shares used to compute diluted net (loss) income per share	<u>14,519</u>	<u>14,409</u>
	<u>Thirty-Nine Weeks Ended</u> <u>October 30, 2010</u> <u>(unaudited)</u>	<u>Thirty-Nine Weeks Ended</u> <u>October 31, 2009</u> <u>(unaudited)</u>
Net sales	\$ 450,485	\$ 382,058
Cost of sales	278,134	234,640
Gross profit	172,351	147,418
Selling, general and administrative expenses	140,119	121,116
Depreciation and amortization	14,843	13,679
Income from operations	17,389	12,623
Interest income	140	329
Interest expense	(17)	(86)
Income before income tax expense	17,512	12,866
Income tax expense	6,024	4,400
Net income	<u>\$ 11,488</u>	<u>\$ 8,466</u>
Basic net income per common share	<u>\$ 0.79</u>	<u>\$ 0.58</u>
Diluted net income per common share	<u>\$ 0.79</u>	<u>\$ 0.58</u>
Net income attributable to common shares (1):		
Basic	<u>\$ 11,488</u>	<u>\$ 8,289</u>
Diluted	<u>\$ 11,488</u>	<u>\$ 8,289</u>
Weighted average shares used to compute basic net income per share	<u>14,497</u>	<u>14,351</u>
Weighted average shares used to compute diluted net income per share	<u>14,518</u>	<u>14,383</u>

(1) Net of income allocated to nonvested restricted stockholders

(in thousands)

	<u>October 30, 2010</u> <u>(unaudited)</u>	<u>October 31, 2009</u> <u>(unaudited)</u>
<b>Assets:</b>		
Cash and cash equivalents	\$ 69,632	\$ 32,487
Short-term investment securities	4,752	42,225
Inventory	115,273	105,314
Other current assets	21,995	16,420
Property and equipment, net	76,879	62,422
Other noncurrent assets	4,470	4,282
Total assets	<u>\$ 293,001</u>	<u>\$ 263,150</u>
<b>Liabilities and Stockholders' Equity:</b>		
Accounts payable	\$ 61,355	\$ 60,762
Accrued liabilities	22,111	20,263
Other current liabilities	3,200	3,504
Noncurrent liabilities	10,422	9,719
Total liabilities	<u>97,088</u>	<u>94,248</u>
Total stockholders' equity	195,913	168,902
Total liabilities and stockholders' equity	<u>\$ 293,001</u>	<u>\$ 263,150</u>