

**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, 2012**

**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 March 9, 2012, Citi Trends, Inc. (the "Company") issued a press release reporting its financial results for the fourth quarter and fiscal year ended January 28, 2012 (the "Earnings Release"). A copy of the Earnings Release is attached to this Current Report on Form 8-K ("Current Report") as Exhibit 99.1 and 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 Release 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 Release, 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               | Earnings Release dated March 9, 2012 |

**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.

Date: March 9, 2012

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               | Earnings Release dated March 9, 2012 |

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## CITI TRENDS ANNOUNCES FOURTH QUARTER AND FISCAL 2011 RESULTS

SAVANNAH, GA (March 9, 2012) — Citi Trends, Inc. (NASDAQ: CTRN) today reported results for the fourth quarter and fiscal year ended January 28, 2012.

**Financial Highlights — Fourth quarter ended January 28, 2012**

Total sales in the fourth quarter ended January 28, 2012 increased 3.7% to \$178.4 million compared with \$172.0 million in the quarter ended January 29, 2011. Comparable store sales decreased 6.2% in the fourth quarter.

A net loss of \$5.3 million, or \$0.36 per diluted share, was recognized in the fourth quarter of 2011 compared with net income of \$9.4 million, or \$0.64 per diluted share, in last year's fourth quarter. The loss in the fourth quarter of 2011 includes non-cash asset impairment expense totaling \$0.18 per diluted share.

The Company opened 5 stores and closed 1 store in the fourth quarter of 2011, reaching a total store count of 511 at the end of the year.

**Financial Highlights — Fiscal year ended January 28, 2012**

Total sales in the fiscal year ended January 28, 2012 increased 2.9% to \$640.8 million compared with \$622.5 million in the fiscal year ended January 29, 2011. Comparable store sales decreased 8.3% for the full year.

A net loss of \$10.0 million, or \$0.69 per diluted share, was recognized in fiscal 2011 compared with net income of \$20.9 million, or \$1.44 per diluted share, in fiscal 2010. The net loss in 2011 includes non-cash asset impairment expense totaling \$0.27 per diluted share.

The Company opened 55 stores, relocated or expanded 14 others, and closed 5 stores in 2011.

**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) 231-2906. A replay of the conference call will be available until March 16, 2012, by dialing (402) 977-9140 and entering the passcode, 21575847. The live broadcast of Citi Trends' conference call will be available 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 March 16, 2012.

[cititrends.com](http://cititrends.com)

104 Coleman Blvd.

Savannah GA 31408

☎ 912.236.1561

**CITI TRENDS**

During the conference call, the Company may discuss and answer questions concerning business and financial developments and trends in fiscal 2012. 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. The Company operates 511 stores located in 29 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 year-end 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. Any forward-looking statements by the Company, with respect to earnings guidance or otherwise, are intended to speak only as of the date such statements are made. 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  
(912) 443-2075

Ed Anderson  
Chief Executive Officer  
(912) 443-3924

**CONDENSED STATEMENTS OF OPERATIONS (unaudited)**  
(in thousands, except per share data)

|   | Thirteen Weeks Ended<br>January 28, 2012<br>(unaudited) | Thirteen Weeks Ended<br>January 29, 2011<br>(unaudited) |
|---|---|---|
| Net sales   | \$ 178,356  | \$ 172,043  |
| Cost of sales   | 124,532   | 105,184   |
| Gross profit  | 53,824  | 66,859  |
| Selling, general and administrative expenses                                | 52,206  | 47,112  |
| Depreciation and amortization   | 6,569   | 5,671   |
| Asset impairment  | 4,209   | 21  |
| (Loss) income from operations   | (9,160)   | 14,055  |
| Interest income   | 63  | 34  |
| Interest expense  | (52)  | (7)   |
| (Loss) income before income taxes   | (9,149)   | 14,082  |
| Income tax (benefit) expense  | (3,834)   | 4,718   |
| Net (loss) income   | \$ (5,315)  | \$ 9,364  |
| Basic net (loss) income per common share                                    | \$ (0.36)   | \$ 0.64   |
| Diluted net (loss) income per common share                                  | \$ (0.36)   | \$ 0.64   |
| Weighted average shares used to compute basic net (loss) income per share   | 14,606  | 14,523  |
| Weighted average shares used to compute diluted net (loss) income per share | 14,606  | 14,537  |

|   | Fifty-Two Weeks Ended<br>January 28, 2012<br>(unaudited) | Fifty-Two Weeks Ended<br>January 29, 2011<br>(unaudited) |
|---|--|--|
| Net sales   | \$ 640,824   | \$ 622,528   |
| Cost of sales   | 420,321  | 383,318  |
| Gross profit  | 220,503  | 239,210  |
| Selling, general and administrative expenses                                | 207,025  | 187,231  |
| Depreciation and amortization   | 24,958   | 20,324   |
| Asset impairment  | 6,514  | 211  |
| (Loss) income from operations   | (17,994)   | 31,444   |
| Interest income   | 243  | 174  |
| Interest expense  | (79)   | (24)   |
| (Loss) income before income taxes   | (17,830)   | 31,594   |
| Income tax (benefit) expense  | (7,816)  | 10,742   |
| Net (loss) income   | \$ (10,014)  | \$ 20,852  |
| Basic net (loss) income per common share                                    | \$ (0.69)  | \$ 1.44  |
| Diluted net (loss) income per common share                                  | \$ (0.69)  | \$ 1.44  |
| Weighted average shares used to compute basic net (loss) income per share   | 14,589   | 14,503   |
| Weighted average shares used to compute diluted net (loss) income per share | 14,589   | 14,523   |

**CITI TRENDS, INC.**  
**CONDENSED BALANCE SHEETS (unaudited)**  
(in thousands)

|  | January 28, 2012<br>(unaudited) | January 29, 2011<br>(unaudited) |
|--|---------------------------------|---------------------------------|
| <b>Assets:</b>                               |                                 |                                 |
| Cash and cash equivalents                    | \$ 41,986                       | \$ 69,231                       |
| Short-term investment securities             | 902                             | 586                             |
| Inventory                                    | 131,526                         | 121,432                         |
| Other current assets                         | 28,961                          | 16,669                          |
| Property and equipment, net                  | 90,541                          | 85,299                          |
| Long-term investment securities              | 18,840                          | 9,205                           |
| Other noncurrent assets                      | 2,021                           | 3,980                           |
| Total assets                                 | \$ 314,777                      | \$ 306,402                      |
| <b>Liabilities and Stockholders' Equity:</b> |                                 |                                 |
| Accounts payable                             | \$ 78,941                       | \$ 67,934                       |
| Accrued liabilities                          | 26,074                          | 23,184                          |
| Other current liabilities                    | 603                             | 444                             |
| Noncurrent liabilities                       | 12,756                          | 10,036                          |
| Total liabilities                            | 118,374                         | 101,598                         |
| Total stockholders' equity                   | 196,403                         | 204,804                         |

Total liabilities and stockholders' equity

\$ 314,777

\$ 306,402