

Citi Trends Inc  
Form 10-Q  
May 28, 2010  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Form 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended May 1, 2010

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number 000-51315

**CITI TRENDS, INC.**

(Exact name of registrant as specified in its charter)

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**DELAWARE**

(State or other jurisdiction of  
incorporation or organization)

**52-2150697**

(I.R.S. 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**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

Smaller Reporting Company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

**Class**  
Common Stock, \$.01 par value

**Outstanding at May 17, 2010**  
14,835,285 shares

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	<b>May 1, 2010</b>	<b>January 30, 2010</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 83,390	\$ 62,993
Short-term investment securities	30,025	33,025
Inventory	95,685	100,874
Prepaid and other current assets	9,671	10,409
Deferred tax asset	4,460	4,518
Total current assets	223,231	211,819
Property and equipment, net of accumulated depreciation and amortization of \$80,300 and \$76,247 as of May 1, 2010 and January 30, 2010, respectively	64,300	63,791
Goodwill	1,371	1,371
Deferred tax asset	2,094	2,488
Other assets	595	517
Total assets	\$ 291,591	\$ 279,986
<b>Liabilities and Stockholders Equity</b>		
Current liabilities:		
Accounts payable	\$ 61,289	\$ 62,706
Accrued expenses	12,046	12,773
Accrued compensation	7,033	9,500
Income tax payable	3,949	3,024
Layaway deposits	1,937	645
Total current liabilities	86,254	88,648
Other long-term liabilities	10,024	9,995
Total liabilities	96,278	98,643
Stockholders equity:		
Common stock, \$0.01 par value. Authorized 32,000,000 shares; 15,001,169 shares issued as of May 1, 2010 and 14,899,577 shares issued as of January 30, 2010; 14,835,419 shares outstanding as of May 1, 2010 and 14,733,827 outstanding as of January 30, 2010	147	146
Paid-in-capital	75,888	74,368
Retained earnings	119,443	106,994

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Treasury stock, at cost; 165,750 shares as of May 1, 2010 and January 30, 2010	(165)	(165)
Total stockholders' equity	195,313	181,343
Commitments and contingencies (note 7)		
Total liabilities and stockholders' equity	\$ 291,591	\$ 279,986

See accompanying notes to the condensed consolidated financial statements (unaudited).

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**Citi Trends, Inc.**

**Condensed Consolidated Statements of Income**

**Thirteen Weeks Ended May 1, 2010 and May 2, 2009**

**(Unaudited)**

**(in thousands, except per share data)**

	<b>Thirteen Weeks Ended</b>	
	<b>May 1, 2010</b>	<b>May 2, 2009</b>
Net sales	\$ 181,406	\$ 143,097
Cost of sales	109,016	85,909
Gross profit	72,390	57,188
Selling, general and administrative expenses	48,450	40,133
Depreciation and amortization		