

**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 11, 2016**

**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 11, 2016, Citi Trends, Inc. (the "Company") issued a press release reporting its financial results for its fourth quarter and fiscal year ended January 30, 2016 (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, 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 11, 2016

**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 11, 2016

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

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**Exhibit Index**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Earnings Release dated March 11, 2016

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## CITI TRENDS ANNOUNCES FOURTH QUARTER AND FISCAL 2015 RESULTS

*Fourth quarter 2015 pretax income increased 15%*

*Fourth quarter 2015 net income per diluted share of \$0.24 compared with \$0.31 last year*

*Full year net income per diluted share of \$1.03 compared with \$0.60 last year*

SAVANNAH, GA (March 11, 2016) — Citi Trends, Inc. (NASDAQ: CTRN) today reported results for the fourth quarter and fiscal year ended January 30, 2016.

**Financial Highlights — 13-week fourth quarter ended January 30, 2016**

Total sales in the 13 weeks ended January 30, 2016 decreased 2.8% to \$176.1 million compared with \$181.1 million in the 13 weeks ended January 31, 2015. Comparable store sales decreased 5.0% in the fourth quarter.

Net income was \$3.5 million, or \$0.24 per diluted share, in the fourth quarter of 2015 compared with \$4.7 million, or \$0.31 per diluted share, in last year's fourth quarter. While net income declined in the fourth quarter of 2015, pretax income increased 15% to \$6.0 million from \$5.2 million in the fourth quarter of 2014. The significant difference between the improvement in pretax income and the decline in net income was attributable to an unusually low effective income tax rate in 2014's fourth quarter due to a benefit from income tax credits.

**Financial Highlights — 52-week fiscal year ended January 30, 2016**

Total sales in the 52 weeks ended January 30, 2016 increased 1.9% to \$683.8 million compared with \$670.8 million in the 52 weeks ended January 31, 2015. Comparable store sales decreased 0.1% for the full year.

Net income was \$15.5 million, or \$1.03 per diluted share, in fiscal 2015 compared with \$9.0 million, or \$0.60 per diluted share, in fiscal 2014.

The Company opened 13 stores, relocated or expanded 13 others, and closed three stores in fiscal 2015.

As previously announced, the Board of Directors has declared a quarterly dividend payment of \$0.06 per share, which will be paid on March 15, 2016 to stockholders of record as of March 1, 2016.

[cititrends.com](http://cititrends.com) 104 Coleman Blvd. Savannah, GA 31408 P: 912.236.1561



**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) 231-2912. A replay of the conference call will be available until March 18, 2016, by dialing (402) 977-9140 and entering the passcode, 21803639.

The live broadcast of Citi Trends' conference call will be available online at the Company's website, [www.cititrends.com](http://www.cititrends.com), under the Investor Relations section, beginning today at 9:00 a.m. ET. The online replay will follow shortly after the call and will be available for replay for one year.

During the conference call, the Company may discuss and answer questions concerning business and financial developments and trends that have occurred after quarter-end. 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 526 stores located in 31 states. Citi Trends' website address is [www.cititrends.com](http://www.cititrends.com). CTRN-G

**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, the declaration and payment of dividends, the Company's share repurchase program, 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 Operating Officer and  
Chief Financial Officer  
(912) 443-2075

Jason Mazzola  
President and Chief Executive Officer  
(912) 443-3990

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

	<u>Thirteen Weeks Ended</u> <u>January 30, 2016</u> <u>(unaudited)</u>	<u>Thirteen Weeks Ended</u> <u>January 31, 2015</u> <u>(unaudited)</u>
Net sales	\$ 176,063	\$ 181,143
Cost of sales (exclusive of depreciation shown separately below)	(108,526)	(113,567)
Selling, general and administrative expenses	(57,087)	(57,515)
Depreciation	(4,555)	(4,871)
Income from operations	5,895	5,190
Interest income	117	52
Interest expense	(41)	(48)
Income before income taxes	5,971	5,194
Income tax expense	(2,499)	(521)
Net income	<u>\$ 3,472</u>	<u>\$ 4,673</u>
Basic net income per common share	<u>\$ 0.24</u>	<u>\$ 0.31</u>
Diluted net income per common share	<u>\$ 0.24</u>	<u>\$ 0.31</u>
Weighted average shares used to compute basic net income per share	<u>14,651</u>	<u>14,989</u>
Weighted average shares used to compute diluted net income per share	<u>14,723</u>	<u>15,128</u>
	<u>Fifty-Two Weeks Ended</u> <u>January 30, 2016</u> <u>(unaudited)</u>	<u>Fifty-Two Weeks Ended</u> <u>January 31, 2015</u> <u>(unaudited)</u>
Net sales	\$ 683,791	\$ 670,840
Cost of sales (exclusive of depreciation shown separately below)	(416,779)	(418,416)
Selling, general and administrative expenses	(224,218)	(221,041)
Depreciation	(18,577)	(20,177)
Asset impairment	—	(83)
Income (loss) from operations	24,217	11,123
Interest income	339	187
Interest expense	(242)	(200)
Income (loss) before income taxes	24,314	11,110
Income tax (expense) benefit	(8,787)	(2,144)
Net income	<u>\$ 15,527</u>	<u>\$ 8,966</u>
Basic net income per common share	<u>\$ 1.04</u>	<u>\$ 0.60</u>
Diluted net income per common share	<u>\$ 1.03</u>	<u>\$ 0.60</u>
Weighted average shares used to compute basic net income per share	<u>14,996</u>	<u>14,961</u>
Weighted average shares used to compute diluted net income per share	<u>15,056</u>	<u>15,020</u>

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

	<u>January 30, 2016</u> <u>(unaudited)</u>	<u>January 31, 2015</u> <u>(unaudited)</u>
Assets:		
Cash and cash equivalents	\$ 39,116	\$ 74,514
Short-term investment securities	32,671	15,850
Inventory	137,020	131,057
Other current assets	18,321	19,936
Property and equipment, net	50,632	47,603
Long-term investment securities	30,890	22,447
Other noncurrent assets	<u>5,858</u>	<u>6,966</u>

Total assets	<u>\$ 314,508</u>	<u>\$ 318,373</u>
<b>Liabilities and Stockholders' Equity:</b>		
Accounts payable	\$ 67,419	\$ 72,245
Accrued liabilities	27,742	29,172
Other current liabilities	497	585
Noncurrent liabilities	<u>6,616</u>	<u>5,749</u>
Total liabilities	102,274	107,751
<b>Total stockholders' equity</b>		
	212,234	210,622
Total liabilities and stockholders' equity	<u>\$ 314,508</u>	<u>\$ 318,373</u>