
**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): May 27, 2010

J.CREW GROUP, INC.

Commission File Number: 001-32927

Delaware
(Registrant, State of
Incorporation)

22-2894486
(I.R.S. Employer
Identification No.)

770 Broadway
New York, New York 10003
(Address of principal executive offices, including zip code)

(212) 209-2500
(Registrant's telephone number, including area code)

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

On May 27, 2010, J.Crew Group, Inc. issued a press release announcing the Company's financial results for the first quarter ended May 1, 2010. The Company is furnishing a copy of the press release hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

- (a) through (c) Not applicable
- (d) Exhibits:

The following exhibit is furnished with this Current Report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release issued by J.Crew Group, Inc. on May 27, 2010.

The information in 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 ("Exchange Act"), nor shall such information be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly stated by specific reference in such filing.

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.

J.CREW GROUP, INC.

By: /s/ James S. Scully

Name: James S. Scully

Title: Chief Administrative Officer and
Chief Financial Officer

Date: May 27, 2010

Company Contact:
James S. Scully
Chief Administrative Officer and
Chief Financial Officer
(212) 209-8040

Investor Contact:
Allison Malkin/Chad Jacobs/Joe Teklits
ICR, Inc.
(203) 682-8200

J. CREW GROUP, INC. ANNOUNCES FIRST QUARTER FISCAL 2010 RESULTS

First Quarter Revenues Rise 20% to \$413.9 million

First Quarter Diluted Earnings Per Share of \$0.68

New York, NY – May 27, 2010 – J. Crew Group, Inc. [NYSE:JCG] today announced financial results for the three months ended May 1, 2010 (first quarter fiscal 2010).

First quarter highlights:

- Revenues increased 20% to \$413.9 million. Store sales increased 20% to \$290.0 million, with comparable store sales increasing 15%. Comparable store sales decreased by 5% in the first quarter of fiscal 2009. Direct sales (Internet and Phone) increased 20% to \$114.4 million. Direct sales decreased by 6% to \$95.4 million in the first quarter of fiscal 2009.
- Gross margin increased to 49.0% of revenues from 42.2% of revenues in the first quarter of fiscal 2009. The increase in gross margin is primarily related to decreased markdowns and promotional selling in the first quarter of 2010 compared to the first quarter of 2009.
- Operating income increased 113.8% to \$75.4 million, or 18.2% of revenues, compared with operating income of \$35.3 million, or 10.2% of revenues, in the first quarter of fiscal 2009.
- Net income was \$44.7 million, or \$0.68 per diluted share. Net income was \$20.4 million, or \$0.32 per diluted share, in the first quarter of fiscal 2009.

Millard Drexler, J. Crew's Chairman and CEO stated: "We are very pleased with our first quarter results. We are and will continue to be focused on our mission – to innovate in our design, style, quality and customer service and to invest in our business, our associates and our customers for the long term."

Balance Sheet highlights as of May 1, 2010

- Cash and cash equivalents were \$332.3 million at the end of the first quarter compared to \$154.6 million at the end of the first quarter in the prior year.
- Inventories at the end of the first quarter were \$193.1 million, compared to \$193.9 million at the end of the first quarter of fiscal 2009. Inventory per square foot decreased 3.9% as compared to the end of the first quarter of fiscal 2009.

Guidance

The Company issued its initial guidance for the second quarter and updated its guidance for fiscal 2010. The Company currently expects second quarter fiscal 2010 diluted earnings per share in the range of \$0.40 to \$0.45 and fiscal 2010 diluted earnings per share in the range of \$2.35 to \$2.45, as compared to its previous guidance range for fiscal 2010 of \$2.20 to \$2.30 and fiscal 2009 diluted earnings per share of \$1.91.

Conference Call Information

A conference call to discuss first quarter results is scheduled for today, May 27, 2010, at 4:30 PM Eastern Time. Investors and analysts interested in participating in the call are invited to dial (877) 407-0784 approximately ten minutes prior to the start of the call. The conference call will also be webcast live at www.jcrew.com. A replay of this call will be available until June 3, 2010 and can be accessed by dialing (877) 660-6853 and entering account number 3055 and conference ID number 350714.

About J. Crew Group, Inc.

J. Crew Group, Inc. is a nationally recognized multi-channel retailer of women's, men's and children's apparel, shoes and accessories. As of May 27, 2010, the Company operates 246 retail stores (including 220 J.Crew retail stores, 9 crewcuts and 17 Madewell stores), the J. Crew catalog business, jcrew.com, madewell.com, and 81 factory outlet stores. Additionally, certain product, press release and SEC filing information concerning the Company is available at the Company's website www.jcrew.com.

Forward-Looking Statements:

Certain statements herein are "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements reflect the Company's current expectations or beliefs concerning future events and actual results of operations may differ materially from historical results or current expectations. Any such forward-looking statements are subject to various risks and uncertainties, including the strength of the economy, changes in the overall level of consumer spending or preferences in apparel, our ability to compete with other retailers, the performance of the Company's products within the prevailing retail environment, our strategy and expansion plans, reliance on key personnel, trade restrictions, political or financial instability in countries where the Company's goods are manufactured, postal rate increases, paper and printing costs, availability of suitable store locations at appropriate terms and other factors which are set forth in the Company's Form 10-K and in all filings with the SEC made by the Company subsequent to the filing of the Form 10-K. The Company does not undertake to publicly update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

J. Crew Group, Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

(In thousands, except percentages and per share data)	Three Months Ended May 1, 2010	Three Months Ended May 2, 2009
Net sales		
Stores	\$ 289,981	\$ 240,726
Direct	114,355	95,360
	404,336	336,086
Other	9,543	9,684
Total Revenues	413,879	345,770
Costs of goods sold, buying and occupancy costs	211,281	199,833
Gross Profit	202,598	145,937
<i>As a percent of revenues</i>	49.0%	42.2%
Selling, general and administrative expenses	127,179	110,669
<i>As a percent of revenues</i>	30.7%	32.0%
Operating income	75,419	35,268
<i>As a percent of revenues</i>	18.2%	10.2%
Interest expense, net	627	1,077
Income before income taxes	74,792	34,191
Provision for income taxes	30,066	13,746
Net income	<u>\$ 44,726</u>	<u>\$ 20,445</u>
Income per share:		
Basic	\$ 0.71	\$ 0.33
Diluted	\$ 0.68	\$ 0.32
Weighted average shares outstanding:		
Basic	63,237	62,130
Diluted	66,053	63,319

J. Crew Group, Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

<u>(In thousands)</u>	<u>May 1, 2010</u>	<u>January 30, 2010</u>	<u>May 2, 2009</u>
Assets			
Current assets:			
Cash and cash equivalents	\$ 332,302	\$ 298,107	\$ 154,578
Inventories	193,081	190,231	193,923
Prepaid expenses and other current assets	27,578	29,522	30,746
Prepaid income taxes	—	1,455	9,892
Total current assets	552,961	519,315	389,139
Property and equipment, net	189,986	194,615	205,683
Other assets	24,820	24,628	20,161
Total assets	<u>\$ 767,767</u>	<u>\$ 738,558</u>	<u>\$ 614,983</u>
Liabilities and Stockholders' equity			
Current liabilities:			
Accounts payable	\$ 105,354	\$ 127,733	\$ 97,503
Other current liabilities	90,793	106,652	83,871
Current portion of long-term debt	—	—	1,100
Income taxes payable	17,699	—	—
Deferred income taxes, net	958	958	4,049
Total current liabilities	214,804	235,343	186,523
Long-term debt	49,229	49,229	98,900
Deferred credits	66,508	67,646	73,825
Other liabilities	10,474	10,462	7,361
Stockholders' equity	426,752	375,878	248,374
Total liabilities and stockholders' equity	<u>\$ 767,767</u>	<u>\$ 738,558</u>	<u>\$ 614,983</u>

Actual and Projected Store Count and Square Footage ^(Note 1)

Fiscal 2010 Quarter	Total stores open at beginning of the quarter	(Note 2)		Total stores open at end of the quarter
		Number of stores opened during the quarter	Number of stores closed during the quarter	
1 st Quarter (Actual)	321	4	0	325
2 nd Quarter (Projected)	325	3	1	327
3 rd Quarter (Projected)	327	3	0	330
4 th Quarter (Projected)	330	5	0	335

Fiscal 2010 Quarter	Total gross square feet at beginning of the quarter	Gross square feet for stores opened or expanded during the quarter	Reduction of gross square feet for stores closed or downsized during the quarter	Total gross square feet at end of the quarter
2 nd Quarter (Projected)	1,977,693	12,631	(7,822)	1,982,502
3 rd Quarter (Projected)	1,982,502	9,764	0	1,992,266
4 th Quarter (Projected)	1,992,266	29,595	0	2,021,861

Note 1 – Store count and square footage summary excludes three clearance store locations. Above summary also includes one factory store that is temporarily closed at the time of this announcement due to flooding.

Note 2 – Actual and Projected number of stores opened during Fiscal 2010 by quarter:

1st Quarter - two retail and two factory stores (Actual).

2nd Quarter - one retail, one factory and one Madewell store (Projected).

3rd Quarter - two retail and one Madewell store (Projected).

4th Quarter - three factory, one factory crewcuts and one Madewell stores (Projected).