
**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 10, 2009

**Commission
File Number**
333-42427

**Registrant, State of Incorporation
Address and Telephone Number**

**I.R.S. Employer
Identification No.**
22-2894486

J.CREW GROUP, INC.

(Incorporated in Delaware)

**770 Broadway
New York, New York 10003
Telephone: (212) 209-2500**

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 March 10, 2009, J.Crew Group, Inc. issued a press release announcing the Company's financial results for the fourth quarter and fiscal year ended January 31, 2009. The Company is furnishing a copy of the press release hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

- (d) Press Release issued by J.Crew Group, Inc. on March 10, 2009.

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: March 10, 2009

Company Contact:

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

Investor Contact:

Allison Malkin/Chad Jacobs/Joe Teklits
Integrated Corporate Relations
(203) 682-8200

J. CREW GROUP, INC. ANNOUNCES FOURTH QUARTER AND FISCAL 2008 RESULTS

Fourth Quarter Loss Per Share of (\$0.22)
Fiscal 2008 Diluted Earnings Per Share of \$0.85

New York, NY – March 10, 2009 – J. Crew Group, Inc. [NYSE:JCG] today announced financial results for the three months (fourth quarter) and fiscal year ended January 31, 2009 (fiscal 2008).

Fourth Quarter highlights:

- Revenues decreased 3% to \$388.0 million. Store sales (Retail and Factory) decreased 3% to \$252.0 million, with comparable store sales decreasing 13%. Comparable store sales increased 4% in the fourth quarter of fiscal 2007. Direct sales (Internet and Phone) decreased 2% to \$123.0 million. Direct sales increased 11% in the fourth quarter of fiscal 2007.
- Gross margin decreased to 27.6% of revenues from 41.3% of revenues in the fourth quarter of fiscal 2007. The decrease in gross margin is primarily due to increased markdowns and promotional selling activities.
- Operating income (loss) decreased to (\$20.4 million), or (5.3%) of revenues, compared with \$43.3 million, or 10.8% of revenues, in the fourth quarter of fiscal 2007. Operating loss in the fourth quarter of fiscal 2008 includes non-cash asset impairment charges of approximately \$2.1 million related to under performing stores.
- Net income (loss) in the fourth quarter of fiscal 2008 was (\$13.5 million), or (\$0.22) per share, and includes the impact of non-cash asset impairment charges of approximately \$0.02 per share related to under performing stores. Net income was \$25.0 million, or \$0.39 per diluted share, in the fourth quarter of fiscal 2007.

Millard Drexler, J. Crew's Chairman and CEO stated: "We are disappointed with our fourth quarter operating results. Our mission, day after day, is to adjust to this new, not fun, retail reality, while not compromising our long term strategy and integrity. We believe the actions we are taking, our focus on quality products and customer service, along with our strong balance sheet, will position us well for when the environment eventually improves."

Fiscal 2008 highlights:

- Revenues increased 7% to \$1,428.0 million. Store sales (Retail and Factory) increased 7% to \$974.3 million, with comparable store sales decreasing 4%. Comparable store sales increased 6% in fiscal 2007. Direct sales (Internet and Phone) increased 8% to \$408.9 million. Direct sales increased 22% in fiscal 2007.
- Gross margin decreased to 38.9% of revenues from 44.1% of revenues in fiscal 2007. The decrease in gross margin is primarily due to increased markdowns and promotional selling activities in the fourth quarter.
- Operating income decreased 44% to \$96.7 million, or 6.8% of revenues, compared to \$172.5 million, or 12.9% of revenues, in fiscal 2007. Operating income in fiscal 2008 includes non-cash asset impairment charges of approximately \$2.7 million related to under performing stores.
- Net income for fiscal 2008 was \$54.1 million, or \$0.85 per diluted share, and includes the impact of non-cash asset impairment charges of approximately \$0.03 per share related to under performing stores. Net income was \$97.1 million, or \$1.52 per diluted share in fiscal 2007.

Balance Sheet highlights as of January 31, 2009:

- Cash and cash equivalents were \$146.4 million at the end of the fourth quarter and include the impact of voluntary principal payments of debt of \$25.0 million made during fiscal 2008. Cash and cash equivalents were \$131.5 million at the end of fiscal 2007.
- Inventories at the end of the fourth quarter were \$187.0 million, reflecting the impact of 40 net stores opened since the end of fiscal 2007. Inventory per square foot increased 7% at the end of fiscal 2008 compared to the end of fiscal 2007.

Guidance

As the economy has continued to weaken and become more unpredictable, it has become more difficult to accurately predict results. Given the uncertainty surrounding the economic environment, the Company will suspend providing annual guidance. The Company will continue to provide guidance on a quarter to quarter basis. The Company currently expects first quarter fiscal 2009 diluted earnings per share in the range of \$0.07 to \$0.12. Our guidance for the first quarter excludes severance and other one time items.

Conference Call Information

A conference call to discuss fourth quarter results is scheduled for today, March 10, 2009, 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 March 17, 2009 and can be accessed by dialing (877) 660-6853 and entering account number 3055 and conference ID number 314947.

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 March 7, 2009, the Company operates 229 retail stores (including 6 Crewcuts and 12 Madewell stores), the J. Crew catalog business, jcrew.com, and 76 factory outlet stores. Additionally, certain product, press release and SEC filing information concerning the Company are 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, the performance of the Company's products within the prevailing retail environment, 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)

<u>(In thousands, except percentages and per share amounts)</u>	<u>Three Months Ended January 31, 2009</u>	<u>Three Months Ended February 2, 2008</u>	<u>Fiscal Year Ended January 31, 2009</u>	<u>Fiscal Year Ended February 2, 2008</u>
Net sales				
Stores	\$ 252,026	\$ 260,627	\$ 974,284	\$ 914,810
Direct	122,957	126,020	408,916	377,444
	374,983	386,647	1,383,200	1,292,254
Other	13,054	13,288	44,770	42,469
Total Revenues	388,037	399,935	1,427,970	1,334,723
Costs of goods sold, buying and occupancy costs	281,101	234,956	872,547	746,180
Gross Profit	106,936	164,979	555,423	588,543
<i>As a percent of revenues</i>	27.6%	41.3%	38.9%	44.1%
Selling, general and administrative expenses	127,378	121,678	458,738	416,064
<i>As a percent of revenues</i>	32.8%	30.4%	32.1%	31.2%
Operating income (loss)	(20,442)	43,301	96,685	172,479
<i>As a percent of revenues</i>	(5.3)%	10.8%	6.8%	12.9%
Interest expense, net	1,570	1,847	5,940	11,224
Income (loss) before income taxes	(22,012)	41,454	90,745	161,255
Provision (benefit) for income taxes	(8,463)	16,497	36,628	64,180
Net income (loss)	<u>\$ (13,549)</u>	<u>\$ 24,957</u>	<u>\$ 54,117</u>	<u>\$ 97,075</u>
Income (loss) per share:				
Basic	\$ (0.22)	\$ 0.41	\$ 0.88	\$ 1.61
Diluted	\$ (0.22)	\$ 0.39	\$ 0.85	\$ 1.52
Weighted average shares outstanding:				
Basic	61,991	60,752	61,687	60,346
Diluted	61,991	64,003	64,027	63,748

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

<u>(In thousands)</u>	<u>January 31, 2009</u>	<u>February 2, 2008</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 146,430	\$ 131,510
Inventories	187,044	158,525
Prepaid expenses and other currents assets	34,926	33,293
Prepaid and refundable income taxes	23,116	9,794
Total current assets	391,516	333,122
Property and equipment, net	201,675	168,292
Deferred income taxes, net	8,862	20,188
Other assets	11,756	13,994
Total assets	<u>\$ 613,809</u>	<u>\$ 535,596</u>
Liabilities and Stockholders' equity		
Current liabilities:		
Accounts payable	\$ 119,719	\$ 101,277
Other current liabilities	83,889	91,414
Deferred income taxes, net	4,049	2,382
Total current liabilities	207,657	195,073
Long-term debt	100,000	125,000
Deferred credits	73,815	67,600
Other liabilities	7,388	7,601
Stockholders' equity	224,949	140,322
Total liabilities and stockholders' equity	<u>\$ 613,809</u>	<u>\$ 535,596</u>

Actual and Projected Store Count and Square Footage**Actual Fiscal 2008**

<u>Quarter</u>	<u>Total stores open at beginning of the quarter</u>	<u>Number of stores opened during the quarter</u>	<u>Number of stores closed during the quarter</u>	<u>Total stores open at end of the quarter</u>
1 st Quarter	260	7	0	267
2 nd Quarter	267	9	0	276
3 rd Quarter	276	15	1	290
4 th Quarter	290	11	1	300

Actual Fiscal 2008

<u>Quarter</u>	<u>Total gross square feet at beginning of the quarter</u>	<u>Gross square feet for stores opened or expanded during the quarter</u>	<u>Reduction of gross square feet for stores closed or downsized during the quarter</u>	<u>Total gross square feet at end of the quarter</u>
1 st Quarter	1,688,016	38,685	(2,261)	1,724,440
2 nd Quarter	1,724,440	41,949	(7,899)	1,758,490
3 rd Quarter	1,758,490	67,657	(10,304)	1,815,843
4 th Quarter	1,815,843	54,471	(6,181)	1,864,133

Projected Fiscal 2009

<u>Quarter</u>	<u>Total stores open at beginning of the quarter</u>	<u>Number of stores opened during the quarter</u>	<u>Number of stores closed during the quarter</u>	<u>Total stores open at end of the quarter</u>
1 st Quarter	300	11	2	309
2 nd Quarter	309	8	0	317
3 rd Quarter	317	4	0	321
4 th Quarter	321	2	0	323

Projected Fiscal 2009

<u>Quarter</u>	<u>Total gross square feet at beginning of the quarter</u>	<u>Gross square feet for stores opened or expanded during the quarter</u>	<u>Reduction of gross square feet for stores closed or downsized during the quarter</u>	<u>Total gross square feet at end of the quarter</u>
1 st Quarter	1,864,133	49,783	(8,358)	1,905,558
2 nd Quarter	1,905,558	32,392	0	1,937,950
3 rd Quarter	1,937,950	18,107	0	1,956,057
4 th Quarter	1,956,057	9,512	0	1,965,569