FORM 10-K

Annual report pursuant to section 13 and 15(d)

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FILER

AEROPOSTALE INC	Mailing Address	Business Address
CIK:**1168213**| IRS No.: **311443880** | Fiscal Year End: **0131**	*1371 BROADWAY*	*1371 BROADWAY*
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

(Mark One)

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

For the Fiscal Year Ended January 28, 2012

or

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

Commission File Number: 001-31314

AÉROPOSTALE, INC.
(Exact name of registrant as specified in its charter)

Delaware	**No. 31-1443880**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
112 West 34th Street, 22nd floor New York, NY	**10120**
(Address of principal executive offices)	*(Zip Code)*

Registrant's telephone number, including area code:
(646) 485-5410

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, $0.01 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes R No £

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes £ No R

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, and (2) has been subject to the filing requirements for at least the past 90 days. Yes R 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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes R No ♦

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. R

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, 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 R	Accelerated filer £
Non-accelerated filer £	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 R

The aggregate market value of voting stock held by non-affiliates of the registrant as of July 30, 2011 was $1,360,367,647.

80,963,007 shares of Common Stock were outstanding at March 21, 2012.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant’s definitive Proxy Statement, to be filed with the Securities and Exchange Commission within 120 days after the end of the registrant’s fiscal year covered by this Annual Report on Form 10-K, with respect to the Annual Meeting of Stockholders to be held on June 13, 2012, are incorporated by reference into Part III of this Annual Report on Form 10-K. This report consists of 57 sequentially numbered pages. The Exhibit Index is located at sequentially numbered page 55.

AÉROPOSTALE, INC.

TABLE OF CONTENTS

As used in this Annual Report on Form 10-K, unless the context otherwise requires, all references to "we", "us", "our", "Aéropostale" or the "Company' refer to Aéropostale, Inc., and its subsidiaries. The term *"common stock"* means our common stock, $0.01 par value. Our website is located at www.aeropostale.com (this and any other references in this Annual Report on Form 10-K to Aéropostale.com is solely a reference to a uniform resource locator, or URL, and is an inactive textual reference only, not intended to incorporate the website into this Annual Report on Form 10-K). On our website, we make available, as soon as reasonably practicable after electronic filing with the Securities and Exchange Commission, our annual reports on Form 10-K, quarterly reports on Form 10-Q, annual Proxy filings and current reports on Form 8-K, and any amendments to those reports. All of these reports are provided to the public free of charge.

Cautionary Note Regarding Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve certain risks and uncertainties, including statements regarding our strategic direction, prospects and future results. Certain factors, including factors outside of our control, may cause actual results to differ materially from those contained in the forward-looking statements. The risk factors included in Part I, Item 1A should be read in connection with evaluating our business and future prospects. All forward looking statements included in this report are based on information available to us as of the date hereof, and we assume no obligation to update or revise such forward-looking statements to reflect events or circumstances that occur after such statements are made.

PART I

Item 1. *Business*

Overview

Aéropostale, Inc., a Delaware corporation, was originally incorporated as MSS-Delaware, Inc. on September 1, 1995 and on February 1, 2000 changed its name to Aéropostale, Inc. Aéropostale, Inc. is a primarily mall-based, specialty retailer of casual apparel and accessories, principally targeting 14 to 17 year-old young women and men through its Aéropostale stores and 4 to 12 year-old kids through its P.S. from Aéropostale stores. The Company provides customers with a focused selection of high quality fashion and fashion basics at compelling values in an innovative and exciting store environment. Aéropostale maintains control over its proprietary brands by designing, sourcing, marketing and selling all of its own merchandise. Aéropostale products can only be purchased in Aéropostale stores and online at www.aeropostale.com. P.S. from Aéropostale products can be purchased in P.S. from Aéropostale stores, in certain Aéropostale stores and online at www.ps4u.com and www.aeropostale.com. As of January 28, 2012, we operated 986 Aéropostale stores, consisting of 918 stores in 50 states and Puerto Rico, 68 stores in Canada, as well as 71 P.S. from Aéropostale stores in 20 states. In addition, pursuant to various licensing agreements, our licensees operated 14 Aéropostale and P.S. from Aéropostale stores in Middle East and South East Asia. These licensees are expected to continue opening new stores in these regions. Also during 2011, we signed another licensing agreement, pursuant to which the licensee is expected to open approximately 30 stores in Turkey over the next five years.

The Aéropostale brand was established by R.H. Macy & Co., Inc., as a department store private label initiative, in the early 1980's targeting men in their twenties. Macy's subsequently opened the first mall-based Aéropostale specialty store in 1987. Over the next decade, Macy's, and then Federated Department Stores, Inc. (now Macy's, Inc.), expanded Aéropostale to over 100 stores. In August 1998, Federated sold its specialty store division to Aéropostale management and Bear Stearns Merchant Banking. In May of 2002, Aéropostale management took the Company public through an initial public offering and listed our common stock on the New York Stock Exchange.

Our Aéropostale concept provides the customer with a focused selection of high-quality, active-oriented, fashion and fashion basic merchandise at compelling values. We strive to create a fun, high-energy shopping experience through the use of creative visual merchandising, colorful in-store signage, popular music and an enthusiastic well-trained sales force. Our average Aéropostale store is generally smaller than that of our mall-based competitors. We believe this enables us to achieve higher sales productivity and project a sense of greater action and excitement in the store.

P.S. from Aéropostale offers casual clothing and accessories focusing on kids between the ages of 4 and 12. The P.S. brand draws from the core competencies of Aéropostale, offering the customer trend-right merchandise at compelling values. The innovative store format strives to be a fun, playful and inviting shopping experience for both the parent and child. We maintain control of our proprietary brands by designing and sourcing all of our merchandise. Our P.S. from Aéropostale products are sold only at our stores and online through our e-commerce websites, www.ps4u.com and www.aeropostale.com.

Our fiscal year ends on the Saturday nearest to January 31. The 2011 fiscal year ended January 28, 2012, the 2010 fiscal year ended January 29, 2011, and the 2009 fiscal year ended January 30, 2010 were 52 week periods. The 2012 fiscal year ending February 2, 2013 will be a 53 week period.

Growth Strategy

Store Productivity. We seek to generate sales growth by increasing sales per square foot, increasing average unit retail and increasing transactions. Our most significant initiative to achieve this growth is to integrate fresh and new fashion into our assortment while staying true to the heritage of the Aéropostale brand. We are also investing in technology to enhance our supply chain and to deliver store productivity improvements. We recently implemented a workforce management system which will enable more efficient store payroll planning. We also will pursue opportunities to increase the square footage in a number of highly productive store locations, where appropriate, with the expectation that we will be able to generate additional sales growth.

New Aéropostale stores. We consider the merchandise in our stores as having broad appeal that continues to provide us with new store expansion opportunities. Over the last three fiscal years we opened 98 new Aéropostale stores. We plan to continue our growth by opening a total of approximately 18 new Aéropostale stores during fiscal 2012. We plan to open stores both in markets where we currently operate, as well as in new markets (see the section *"Stores — Store design and environment"* below).

New P.S. from Aéropostale stores. During fiscal 2009, we launched "P.S. from Aéropostale" by opening our first 14 stores in five states. As of January 28, 2012, we operated 71 P.S. from Aéropostale stores in 20 states. We plan to open approximately 30 additional P.S. from Aéropostale stores during fiscal 2012. As part of our growth strategy for P.S. from Aéropostale, we plan to increase the mix of fashion offerings and maximize e-commerce opportunities.

E-commerce. We launched our Aéropostale e-commerce business in May 2005. The Aéropostale on-line store is accessible at our website, www.aeropostale.com. P.S. from Aéropostale merchandise can be purchased online at www.aeropostale.com or www.ps4u.com. A third party provides fulfillment services for our e-commerce business, including warehousing our inventory and fulfilling our customers' orders. We purchase, manage and own the inventory sold through our website and we recognize revenue from the sale of these products when the customer receives the merchandise.

International. We have license agreements in the Middle Eastern and South East Asian territories. These licensees operated 14 Aéropostale and P.S. from Aéropostale stores in those territories, as of January 28, 2012. These licensees are expected to continue opening new stores in these regions. Also during 2011, we signed another licensing agreement, pursuant to which the licensee is expected to open approximately 30 stores in Turkey over the next five years. We assume no inventory risk on the merchandise sold in our licensee's stores and we do not own or lease the underlying real estate where the stores operate. In addition, our international licensing agreements contain other customary terms and conditions governing our business relationship with the licensees. We will continue to pursue a number of similar license agreements in other territories, and will continue to evaluate additional international opportunities.

Stores

Existing stores. We locate our stores primarily in shopping malls, outlet centers and, to a much lesser degree, lifestyle and off-mall shopping centers, all located in geographic areas with the highest possible concentrations of our target customers. We generally locate our stores in mall locations near popular teen gathering spots, such as food courts and other teen-oriented retailers. We also operate three street level stores in the New York City area. During 2010, we opened a 19,000 square foot Aéropostale flagship store in the Times Square section of New York City. We highlight and offer both Aéropostale and P.S. from Aéropostale products in the Times Square store. We expect this flagship store to play an important role in creating an international awareness of the Aéropostale brand and image.

During fiscal 2009, we completed the closure of our 14 store Jimmy'Z concept that was launched in 2005. Jimmy'Z Surf Co., Inc., a wholly owned subsidiary of Aéropostale, Inc., was a contemporary lifestyle brand targeting trend-aware young women and men aged 18 to 25.

As of January 28, 2012, we operated 986 Aéropostale stores consisting of 918 stores in 50 states and Puerto Rico, 68 stores in Canada, as well as 71 P.S. from Aéropostale stores in 20 states. In addition, pursuant to various Licensing Agreements, our international licensees operated 14 Aéropostale stores and P.S. from Aéropostale in the United Arab Emirates, Singapore and Bahrain as of January 28, 2012, which are excluded from the table below.

United States	Number of Aéropostale Stores	Number of P.S from Aéropostale Stores	Total Number Stores
Alabama	17	1	18
Alaska	2	—	2
Arizona	17	2	19
Arkansas	8	—	8
California	80	3	83
Colorado	15	—	15
Connecticut	11	2	13
Delaware	4	2	6
Florida	60	4	64
Georgia	28	4	32
Hawaii	3	—	3
Idaho	5	—	5
Illinois	35	—	35
Indiana	23	1	24
Iowa	12	—	12
Kansas	8	—	8
Kentucky	10	—	10
Louisiana	15	1	16
Maine	4	—	4
Maryland	18	1	19
Massachusetts	26	2	28
Michigan	33	1	34
Minnesota	16	1	17
Mississippi	8	—	8
Missouri	16	—	16
Montana	3	—	3
North Carolina	27	5	32
North Dakota	4	—	4
Nebraska	4	—	4
New Hampshire	7	—	7
New Jersey	25	13	38
New Mexico	5	—	5
Nevada	7	—	7
New York	50	12	62
Ohio	38	—	38
Oklahoma	8	—	8
Oregon	8	—	8
Pennsylvania	53	4	57
Puerto Rico	6	—	6
Rhode Island	2	1	3
South Carolina	15	1	16
South Dakota	2	—	2
Tennessee	21	—	21
Texas	72	10	82
Utah	12	—	12
Vermont	2	—	2
Virginia	27	—	27
Washington	20	—	20
West Virginia	7	—	7

Wisconsin	18	—	18
Wyoming	1	—	1

Canada			
Alberta	10	—	10
British Columbia	10	—	10
New Brunswick	3	—	3
Manitoba	2	—	2
Newfoundland	1	—	1
Nova Scotia	2	—	2
Ontario	40	—	40
Total	986	71	1,057

The following table highlights the number of Aéropostale, Jimmy'Z and P.S. from Aéropostale stores opened and closed since the beginning of fiscal 2009:

	Aéropostale Stores Opened	P.S. from Aéropostale Stores Opened	Aéropostale Stores Closed	P.S. from Aéropostale Stores Closed	Jimmy'Z Stores Closed	Total Number of Stores at End of Period
Fiscal 2009	39	14	4	—	11	952
Fiscal 2010	35	33	8	—	—	1,012
Fiscal 2011	24	25	3	1	—	1,057

Store design and environment. Our Aéropostale stores average approximately 3,700 square feet and our P.S. from Aéropostale stores average approximately 3,300 square feet. Our stores are designed to create an energetic shopping environment, featuring powerful in-store promotional signage, creative visuals and popular music. In an effort to continue providing our customers with a fun and fresh shopping environment, we are currently developing a new Aéropostale store design for the next generation teen customer. The enthusiasm of our associates is integral to our store environment. Our stores feature display windows that provide high visibility for mall traffic. Our strategy is to create fresh and exciting merchandise presentations by updating our floor sets numerous times throughout the year. Visual merchandising directives are initiated at the corporate level in order to maintain consistency throughout all of our stores.

Store management. Our Aéropostale stores along with our P.S. from Aéropostale stores are organized by region and further broken down into districts. A regional manager or a group district manager manages each of our 14 regions and each region encompasses approximately eight to 10 districts. Each district is managed by a district manager and encompasses approximately seven to 10 individual stores. Our corporate headquarters directs the merchandise assortments, merchandise pricing, store layout, inventory management and in-store visuals for all of our stores.

Expansion opportunities and store site selection. We focus on opening new stores in an effort to further penetrate our existing markets, as well as to enter new markets. We plan to continue increasing our store base during fiscal 2012 by opening approximately 18 new Aéropostale stores and 30 P.S. from Aéropostale stores (see the section "Growth Strategy" above).

In selecting a specific store site, we generally target high traffic locations in malls, outlet centers and, to a much lesser degree, lifestyle and off-mall shopping centers, with suitable demographics and favorable lease economics. Our primary site evaluation criteria include average sales per retail square foot, co-tenancies, traffic patterns and occupancy costs.

For new Aéropostale stores opened in fiscal 2011, excluding our street level stores, our average net investment was approximately $561,000 per store location, which included capital expenditures adjusted for landlord contributions and initial inventory at cost, net of payables. For new P.S. from Aéropostale stores opened in fiscal 2011, our average net investment was approximately $490,000 (see the section "*Store design and environment*" above for a further discussion).

Pricing

We believe that a key component of our success is our ability to understand what our customers desire and what they can afford. Our merchandise, which we believe is of comparable quality to that of our primary competitors, is generally priced lower than our competitors' merchandise. We conduct promotions in our stores throughout the year generally lasting anywhere from two to four weeks in length.

Design and Merchandising

Our design and merchandising teams focus on designing merchandise that meets the demands of our customers' lifestyles. We maintain separate design and merchandising groups for each of our brands and within those brands, for each of the young women's and young men's product lines.

Design. We offer a focused collection of apparel, including graphic t-shirts, tops, bottoms, sweaters, jeans, outerwear and accessories. We have a "design-driven, merchant-modified" philosophy, in which our designers' concepts are refined by our merchants' understanding of the current market for our products. This philosophy helps to ensure that our merchandise includes current fashion trends but also properly interprets these trends for our core customer. Our assortment ranges from classic, casual looks that usually incorporate the Aéropostale logo to styles that we consider to be on trend fashion.

Merchandising and Planning. Our merchandising organization, together with our planning organization, determines the quantities of units needed for each product category. By monitoring sales of each style and color and employing our flexible sourcing capabilities, we are able to adjust our merchandise assortments to capitalize upon emerging trends. In fiscal 2008, we began a phased implementation of assortment planning and allocation systems. In fiscal 2009, we implemented the latest phase of our allocation system and in fiscal 2010 we supplemented that system with an order optimization component, which allowed us to further improve our inventory position at the store level. During fiscal 2012, we plan to implement the first phase of our assortment planning tool.

Sourcing

We seek to employ a sourcing strategy that expedites our speed to market and allows us to respond quickly to our customers' preferences. We believe that we have developed strong relationships with our vendors, some of who rely upon us for a significant portion of their overall business. During fiscal 2012, we plan to begin implementing a product lifecycle management system.

During fiscal 2011, we sourced approximately 87% of our merchandise from our top five merchandise vendors. Most of our vendors maintain sourcing offices in the United States, with the majority of their production factories located in Asia and Central America. In an effort to minimize currency risk, all payments to our vendors and sourcing agents are made in U.S. dollars. We engage a third party independent contractor to visit the production facilities that supply us with our products. This independent contractor performs audits at each factory and as a result, assesses the compliance of the facility with, among other things, local and United States labor laws and regulations as well as fair trade and business practices.

Corporate Responsibility

We are committed to the principle that the people who make our clothes should be treated with dignity and respect. We seek to work with apparel suppliers throughout the world who share our commitment to providing safe and healthy workplaces. At a minimum, we require our suppliers to maintain a workplace environment that complies with local legal requirements and meets universally-accepted human rights standards.

Our Vendor Code of Conduct (the "Code"), which is based on universally-accepted human rights principles, sets forth our expectations for suppliers. The Code must be posted in every factory that manufactures our clothes in the local language of the workers. All suppliers must agree to abide by the terms of our Code before we will place production with them.

We maintain an extensive factory inspection program, through our New York compliance department, to monitor compliance with our Code. The compliance team validates the inspection reporting of our globally recognized third party inspection and auditing firm and works with new and existing factories on remediation of issues. New garment factories must pass an initial inspection in order to do business with us. Once new factories are approved, we then strive to re-inspect them on a periodic basis. We review the outcome of these inspections with factory management with the goal of helping them to continuously improve their performance. In cases where a factory is unable or unwilling to meet our standards, we will take steps up to and including the severance of our business relationship with that factory.

Marketing and Advertising

We utilize numerous initiatives to increase our brand recognition and promote our merchandise assortment. We view our stores as the primary means to communicate our message and provide our brand experience. Our marketing efforts are focused on in-store communications, promotions and internal as well as external advertising. We expand, test and modify our marketing efforts based on focus groups, surveys and consumer feedback.

We believe that the enthusiasm and commitment of our store-level employees are key elements in enhancing our brand with our target customers. We market in-store with large images in the store-front windows and at the checkout area. In addition, we have information alongside product displays and other touch points such as shopping bags. We also conduct select external advertising during key selling periods. Our advertisements appear in publications, online and in malls and on the radio on a regional basis. Periodically, we also partner with select third parties such as magazines, television shows and musical bands, to create marketing programs which we believe will be appealing to our customers.

Our websites, www.aeropostale.com and www.ps4u.com support all of our internet marketing and promotional initiatives and also offer a large portion of our merchandise assortment for purchase. We maintain a database of our customers and send emails and distribute information on special offers and promotions on a frequent basis. In addition, we support our brand through social media outlets such as Facebook and Twitter.

Distribution

To support our stores in the United States and Puerto Rico, we maintain two distribution centers to process merchandise and warehouse inventory needed to replenish our stores. We lease a 315,000 square foot distribution center facility in South River, New Jersey. We also lease a second distribution facility in Ontario, California with 360,000 square feet of space. The staffing and management of these distribution facilities is outsourced to a third party provider that operates each distribution facility and processes our merchandise. This third party provider employs personnel, some of whom are represented by a labor union. There have been no work stoppages or disruptions since the inception of our relationship with this third party provider in 1991, and we believe that the third party provider has a good relationship with its employees. In addition, a third party provides fulfillment services for our e-commerce business, including warehousing our inventory and fulfilling our customers' sales orders. In addition, we outsource the shipment of our merchandise through third party transportation providers. These third parties ship our merchandise from our distribution facilities to our stores.

During fiscal 2009, we entered into an agreement with a third party to perform distribution services for our stores in Canada. The distribution center is located in Etobicoke, Ontario, Canada, and is independently owned and operated. This third party distribution center receives, processes and warehouses our merchandise for all of our stores in Canada. Unlike in the United States however, we do not lease the facility and we are not the only company with product in this warehouse. Prior to opening this facility, all of our products destined for our stores in Canada were first shipped to the United States and processed through our South River, New Jersey distribution center.

We continue to invest in systems and automation to improve processing efficiencies, automate functions that were previously performed manually and to support our store growth. Our distribution facilities utilize automated sortation materials handling equipment to receive, process and ship goods to our stores. These facilities also serve our other warehousing needs, such as storage of new store merchandise, floor set merchandise and packaging supplies.

Information Systems

Our management information systems provide a full range of retail, financial and merchandising applications. We utilize industry specific software systems to provide various functions related to point-of-sale, inventory management, logistics and sourcing, planning and replenishment, and financial reporting. We continue to invest in technology to support and enhance our business processes and to support our continuing growth.

Trademarks

We own, through certain of our wholly owned subsidiaries, federal trademark registrations in the U.S. Patent and Trademark Office for our principal marks AÉROPOSTALE®, AÉRO®, 87®, P.S. FROM AÉROPOSTALE™, P.S.09® and other related marks for clothing, a variety of accessories, including sunglasses, belts, socks and hats, and as a service mark for retail clothing stores, as well as state registrations for these marks. We also have certain registrations pending for trademarks and service marks for clothing, retail stores and online services. Additionally, we have applied for or have already obtained a registration for the AÉROPOSTALE®, P.S. FROM AÉROPOSTALE™, and related marks in over 85 foreign countries. We plan to continue this focus on expanding our international registrations of our marks in the future.

We continue to maintain certain registrations of our JIMMY'Z® brand and related marks in the United States for clothing and related goods and services.

We regard our trademarks and other proprietary intellectual property as valuable assets of the Company that we continually maintain and protect.

Competition

The apparel market is highly competitive. We compete with a wide variety of retailers including other specialty stores, department stores, online retailers, mail order retailers and mass merchandisers. Specifically, our Aéropostale brand competes primarily with other teen apparel retailers and P.S. from Aéropostale competes with other children's retailers. Retailers in our sector compete primarily on the basis of design, price, quality, service and product assortment.

Employees

As of January 28, 2012, we employed 3,872 full-time and 21,894 part-time employees. We employed 676 of our employees at our corporate offices and in the field and 25,090 at our store locations. The number of part-time employees fluctuates depending on our seasonal needs. None of our employees are represented by a labor union and we consider our relationship with our employees to be good.

Seasonality

Our business is highly seasonal, and historically we have realized a significant portion of our sales, net income and cash flows in the second half of the year, attributable to the impact of the back-to-school selling season in the third quarter, and the holiday selling season in our fourth quarter. As a result, our working capital requirements fluctuate during the year, increasing in mid-summer in anticipation of the third and fourth quarters. Our business is also subject, at certain times, to calendar shifts which may occur during key selling times such as school holidays, Easter and regional fluctuations in the calendar during the back-to-school selling season.

Available Information

We maintain internet websites, www.aeropostale.com and www.ps4u.com, through which access is available free of charge to our annual reports on Form 10-K, quarterly reports on Form 10-Q, Proxy Statements and current reports on Form 8-K, and all amendments of these reports filed, or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, after they are filed with the Securities and Exchange Commission.

Our Corporate Governance Guidelines and the charters for our Audit Committee, Nominating and Corporate Governance Committee and Compensation Committee may also be found on our internet websites at www.aeropostale.com or www.ps4u.com. In addition, our websites contain the Charter for the Lead Independent Director as well as our Code of Business Conduct and Ethics, which is our code of ethics and conduct for our directors, officers and employees. Any waivers to our Code of Business Conduct and Ethics will be promptly disclosed on our websites.

In fiscal 2011, our Chief Executive Officer certified, in accordance with section 303.12(a) of the NYSE Listed Company Manual, that he was not aware of any violation by us of the NYSE's corporate governance listing standards as of the date of such certification.

Item 1A. ***Risk Factors***

Cautionary Note Regarding Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve certain risks and uncertainties, including statements regarding our strategic direction, prospects and future results. Certain factors, including factors outside of our control, may cause actual results to differ materially from those contained in the forward-looking statements. The following risk factors should be read in connection with evaluating our business and future prospects. All forward looking statements included in this report are based on information available to us as of the date hereof, and we assume no obligation to update or revise such forward-looking statements to reflect events or circumstances that occur after such statements are made. Such uncertainties include, among others, the following factors:

If we are unable to identify and respond to consumers' fashion preferences, domestically and/or internationally, in a timely manner, our profitability will decline, as it did in 2011.

If we are not able to keep pace with the rapidly changing fashion trends, both domestically and/or internationally, and teen consumer apparel tastes, our profitability will decline, as it did in 2011. We produce casual, comfortable on trend apparel, a majority of which displays the "Aéropostale", "Aéro" or "P.S. from Aéropostale" logo. There can be no assurance that fashion trends will not move away from casual clothing or that we will not have to alter our design strategy to reflect changes in consumer preferences. Failure to anticipate, identify or react appropriately to changes in styles, trends, desired images or brand preferences has had and could continue to have a material adverse effect on our results of operations.

Industry conditions are increasingly competitive.

The teen and child specialty retail industries have historically been highly competitive. One of our competitive advantages throughout our history has been our promotional business model. A number of our competitors are now also operating a more promotional business, similar to our own. As a result we now face increased competition based upon price and promotion which we have not experienced previously. Greater or continued promotional activity in the teen or child specialty retail industries could have a material adverse effect on our sales and results of operations.

The effect of global, national, regional and local economic pressures and conditions may adversely affect our sales.

The global economic crisis continues to cause a great deal of uncertainty. This market uncertainty continues to result in reduced consumer confidence and spending. Our business is highly sensitive to consumer spending patterns and preferences. Various economic conditions affect the level of disposable income consumers have available to spend on the merchandise we offer, including unemployment rates, interest rates, taxation, energy costs, the availability of consumer credit, the price of gasoline, consumer confidence in future economic conditions and general business conditions. Accordingly, consumer purchases of discretionary items and retail products, including our products, may decline during recessionary periods, and also may decline at other times when changes in consumer spending patterns affect us unfavorably. In addition, any significant decreases in shopping mall traffic, as a result of, among other things, higher gasoline prices, could also have a material adverse effect on our results of operations. Therefore, our growth, sales and profitability may be adversely affected by economic conditions on a local, regional, national and/or global level.

Our ability to react to raw material cost increases, labor and energy prices could reduce our overall profitability.

Global inflationary economic conditions, as well as increases in our product costs, such as raw materials, labor and fuel, have reduced our overall profitability. Specifically, increases in the price of cotton, used in the manufacture of merchandise we purchase from our suppliers, negatively impacts our cost of goods. In addition, any reduction in merchandise available to us or any significant increase in the costs to produce that merchandise would have a material adverse effect on our results of operations. We have strategies in place to mitigate the rising cost of raw materials and our overall profitability depends on the success of those strategies. Additionally, increases in other costs, including labor and energy, could adversely impact our results of operations as well.

A significant decrease in sales could have an adverse effect on our financial condition and results of operations.

Our net sales and net income are disproportionately higher from August through January each year due to increased sales from back-to-school and holiday shopping. Our net sales and net income from February through July are typically lower due to, in part, the traditional retail slowdown immediately following the winter holiday season. Any significant decrease in sales during any season, but in particular the back-to-school and holiday shopping seasons, would have a material adverse effect on our financial condition and results of operations. In addition, in order to prepare for the back-to-school and holiday shopping seasons, we must order and keep in stock significantly more merchandise than we would carry during other parts of the year. Any unanticipated decrease in demand for our products would require us to sell excess inventory at a substantial markdown, which would reduce our net sales and gross margins and negatively impact our profitability. Additionally, our business is also subject, at certain times, to calendar shifts which may occur during key selling times such as school holidays, Easter and regional fluctuations in the calendar during the back-to-school selling season.

Our ability to attract customers to our stores depends heavily on the success of the shopping malls in which we are located.

In order to generate customer traffic, we must locate our stores in prominent locations within successful shopping malls. We cannot control the development of new shopping malls, the availability or cost of appropriate locations within existing or new shopping malls, or the success of individual shopping malls. A significant decrease in shopping mall traffic would have a material adverse effect on our results of operations. Additionally, the loss of an anchor or other significant tenant in a shopping mall in which we have a store, or the closure of a significant number of shopping malls in which we have stores, either by a single landlord with a large portfolio of malls, or by a number of smaller individual landlords, may have a material adverse effect on our results of operations.

Fluctuations in comparable store sales and quarterly results of operations may cause the price of our common stock to decline substantially.

Our comparable store sales and quarterly results of operations have fluctuated in the past and are likely to continue to fluctuate in the future. Our comparable store sales and quarterly results of operations are affected by a variety of factors, including:

- actions of our competitors or mall anchor tenants;
- changes in general economic conditions and consumer spending patterns;
- fashion trends;
- changes in our merchandise mix;
- the effectiveness of our inventory management;
- calendar shifts of holiday or seasonal periods;
- the timing of promotional events; and
- weather conditions.

If our comparable store sales and/or results of operations fail to meet the expectations of investors then the market price of our common stock could decline substantially. You should refer to the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” for more information.

Our continued expansion plan is dependent on a number of considerations which, if not successfully addressed, could delay or prevent the opening of new stores and our entry into new markets.

Unless we continue to do the following, we may be unable to open new stores successfully and, in turn, our continued growth would be impaired:

- identify suitable markets and sites for new store locations;
- negotiate acceptable lease terms;
- hire, train and retain competent store personnel;
- foster current relationships and develop new relationships with vendors that are capable of supplying a greater volume of merchandise;
- manage inventory and distribution effectively to meet the needs of new and existing stores on a timely basis;
- expand our infrastructure to accommodate growth; and
- generate sufficient operating cash flows or secure adequate capital on commercially reasonable terms to fund our expansion plans.

There are a finite number of suitable locations and malls within the United States and Canada in which to locate our stores. If we are unable to locate additional suitable locations to open new stores successfully and/or enter new markets, then there will be an adverse effect on the rate of our revenue and earnings growth.

We rely on a small number of vendors to supply a significant amount of our merchandise.

During fiscal 2011 and 2010, we sourced approximately 87% and 85%, respectively, of our merchandise from our top five merchandise vendors. Our relationships with our suppliers generally are not on a long-term contractual basis and do not provide assurances on a long-term basis as to adequate supply, quality or acceptable pricing. Most of our suppliers could discontinue selling to us at any time. If one or more of our significant suppliers were to sever their relationship with us, we may not be able to obtain replacement products in a timely manner, which would have a material adverse effect on our sales, financial condition and results of operations. In addition, we do not own or operate any of our own manufacturing facilities and therefore we depend upon independent third party vendors to manufacture all of the merchandise we sell in our stores. If any of our vendors, especially our primary vendors which manufacture the majority of our merchandise, ship orders to us late, do not meet our quality standards, or otherwise fail to deliver us product in accordance with our plans, then there would be a material adverse effect on our results of operations.

Our foreign sources of production may not always be reliable, which may result in a disruption in the flow of new merchandise to our stores.

The large majority of the merchandise we purchase is manufactured overseas. We generally do not have any long-term merchandise supply contracts with our vendors and the imports of our merchandise by our vendors are subject to existing or potential duties, tariffs and quotas. We also face a variety of other risks generally associated with doing business in foreign markets and importing merchandise from abroad, such as: (i) political instability; (ii) enhanced security measures at foreign and United States ports, which could delay delivery of goods; (iii) imposition of new legislation relating to import quotas that may limit the quantity of goods which may be imported into the United States from countries in a region within which we do business; (iv) imposition of additional or greater duties, taxes, and other charges on imports; (v) delayed receipt or non-delivery of goods due to the failure of our vendors to comply with applicable import regulations; and (vi) delayed receipt or non-delivery of goods due to unexpected or significant port congestion or labor unrest at United States ports. Any disruption to our vendors and our foreign sources of production due to any of the factors listed above or due to other unforeseeable events or circumstances could have a material adverse effect on our results of operations.

Failure of new business concepts would have a negative effect on our results of operations.

We expect that the introduction of new brand concepts, such as the launch in fiscal 2009 of our new store brand concept P.S. from Aéropostale, as well as other new business opportunities, such as international expansion, will play an important role in our overall growth strategy. Our ability to succeed with a new brand concept requires significant expenditures and management attention. Additionally, any new brand is subject to certain risks including customer acceptance, competition, product differentiation, the ability to attract and retain qualified personnel, including management and designers, diversion of management’s attention from our core Aéropostale business and the ability to obtain suitable sites for new stores. Our experience with our Jimmy’Z brand, which we closed in fiscal 2009, demonstrates that there can be no assurance that new brands will grow or become profitable.

Our business could suffer if a manufacturer fails to use acceptable labor practices.

Our sourcing agents and independent manufacturers are required to operate in compliance with all applicable foreign and domestic laws and regulations. While our vendor operating guidelines promote ethical business practices for our vendors and suppliers, we do not control these manufacturers or their labor practices. The violation of labor or other laws by an independent manufacturer, or by one of the sourcing agents, or the divergence of an independent manufacturer’s or sourcing agent’s labor practices from those generally accepted as ethical in the United States, could interrupt, or otherwise disrupt the shipment of finished products or damage our reputation. Any of these, in turn, could have a material adverse effect on our financial condition and results of operations. To help mitigate this risk, we engage a third party independent contractor to visit the production facilities from which we receive our products. This independent contractor assesses the compliance of the facility with, among other things, local and United States labor laws and regulations as well as foreign and domestic fair trade and business practices.

The unexpected loss of the services of key personnel could have a material adverse effect on our business.

Our key executive officers have substantial experience and expertise in the retail industry and have made significant contributions to the growth and success of our brands. The unexpected loss of the services of one or more of these individuals could adversely affect us. Specifically, if we were to unexpectedly lose the services of Thomas P. Johnson, our Chief Executive Officer, or Michael J. Cunningham, our President, our business could be adversely affected. In addition, departures of any other senior executives or key performers in the Company could also adversely affect our operations.

A substantial interruption in our information systems could have a material adverse effect on our business.

We depend on the security and integrity of electronic data and our management information systems for many aspects of our business. We may be materially adversely affected if our management information systems are disrupted or compromised or we are unable to improve, upgrade, maintain, and expand our management information systems.

We rely on third parties to manage our distribution centers and transport our merchandise to our stores; a disruption of our distribution activities could have a material adverse effect on our business.

The efficient operation of our stores is dependent on our ability to distribute, in a timely manner, our merchandise to our store locations throughout the United States, Canada and Puerto Rico. We currently lease and maintain two, third party, independently operated distribution facilities, one in South River, New Jersey, and the other in Ontario, California. These distribution centers manage, collectively, the receipt, storage, sortation, packaging and distribution of virtually all of our merchandise. In addition, we also utilize a third distribution center, located in Canada, which is independently owned and operated.

These third parties employ personnel represented by labor unions. Although there have been no work stoppages or disruptions since the inception of our relationships with these third party providers, there can be no assurance that work stoppages or disruptions will not occur in the future. We also use separate third party transportation companies to deliver our merchandise from our distribution centers to our stores. Any failure by any of these third parties to respond adequately to our warehousing, distribution and transportation needs would have a material adverse effect on our results of operations.

Failure to comply with regulatory requirements could have a material adverse effect on our business.

As a public company, we are subject to numerous regulatory requirements. Our policies, procedures and internal controls are designed to comply with all applicable laws and regulations, including those imposed by the Sarbanes-Oxley Act of 2002, the Securities and Exchange Commission ("SEC") and the NYSE. Failure to comply with such laws and regulations could have a material adverse effect on our reputation, financial condition and on the market price of our common stock.

We rely on a third party to manage the web-hosting, operation, warehousing and order fulfillment for our e-commerce business; any disruption of these activities could have a material adverse effect on our e-commerce business.

We rely on one third party, GSI Commerce, Inc. ("GSI"), a wholly-owned subsidiary of eBay Inc., to host our e-commerce website, warehouse all of the inventory sold through our e-commerce website, and fulfill all of our e-commerce sales to our customers. GSI also performs additional services for us supporting our e-commerce business. Any significant interruption in the operations of GSI, over which we have no control, could have a material adverse effect on our e-commerce business.

Failure to protect our trademarks adequately could negatively impact our brand image and limit our ability to penetrate new markets.

We believe that our key trademarks AÉROPOSTALE®, AERO® and 87® and our new store concept brand, P.S. FROM AÉROPOSTALE™ and variations thereof, are integral to our logo-driven design strategy. We have obtained federal registrations of or have pending applications for these trademarks in the United States and have applied for or obtained registrations in most foreign countries in which our vendors and licensees are located, as well as elsewhere. We use these trademarks in many constantly changing designs and logos even though we have not applied to register every variation or combination thereof for adult clothing and related accessories. There can be no assurance that the registrations we own and have obtained will prevent the imitation of our products or infringement of our intellectual property rights by others. If any third party imitates our products in a manner that projects lesser quality or carries a negative connotation, our brand image could be materially adversely affected.

There can be no assurance that others will not try to block the manufacture, export or sale of our products as a violation of their trademarks or other proprietary rights. Other entities may have rights to trademarks that contain portions of our marks or may have registered similar or competing marks for apparel and accessories in foreign countries in which our vendors are located. There may also be other prior registrations in other foreign countries of which we are not aware. Accordingly, it may not be possible, in those few foreign countries where we were not able to register our marks, to enjoin the manufacture, sale or exportation of AÉROPOSTALE or P.S. FROM AÉROPOSTALE branded goods to the United States. If we were unable to reach a licensing arrangement with these parties, our vendors may be unable to manufacture our products in those countries. Our inability to register our trademarks or purchase or license the right to use our trademarks or logos in these jurisdictions could limit our ability to obtain supplies from or manufacture in less costly markets or penetrate new markets should our business plan change to include selling our merchandise in those jurisdictions outside the United States.

Changes in accounting standards and estimates could materially impact our results of operations.

Generally accepted accounting principles and the related authoritative guidance, for many aspects of our business, including revenue recognition, inventories, long-lived assets, leases, income taxes and stock-based compensation are complex and involve subjective judgments. Changes in these rules or changes in the underlying estimates, assumptions or judgments by our management could have a material impact on our results of operations. For example, proposed authoritative guidance for lease accounting, once finalized and enacted, may have a material impact on our results of operations and financial position.

The effects of war, acts of terrorism, natural disasters or other unforeseen wide-scale events could have a material adverse effect on our operating results and financial condition.

The continued threat of terrorism and the associated heightened security measures and military actions in response to acts of terrorism has disrupted commerce and has intensified uncertainties in the U.S. economy. Any further acts of terrorism, a future war or a widespread natural disaster may disrupt commerce and undermine consumer confidence, which could negatively impact our sales revenue by causing consumer spending and/or mall traffic to decline. Furthermore, an act of terrorism or war, or the threat thereof, or any other natural disaster that results in unforeseen interruptions of commerce, could negatively impact our business by interfering with our ability to obtain merchandise from our vendors.

Item 1B. ***Unresolved Staff Comments***

None

Item 2. ***Properties***

We lease all of our store locations. Most of our stores are located in shopping malls throughout the U.S. and Canada. Most of our store leases have a term of ten years and require us to pay additional rent based on specified percentages of sales after we achieve specified annual sales thresholds. Generally, our store leases do not contain extension options. Our store leases typically include a pre-opening period of approximately 60 days that allows us to take possession of the property to construct the store. Typically rent payment commences when the stores open. We recognize rent expense in our consolidated financial statements on a straight-line basis over the non-cancelable term of each individual underlying lease, commencing when we take possession of the property. Generally, our leases allow for termination by us after a certain period of time if sales at that site do not exceed specified levels.

Our flagship store in Times Square, New York City, and our other two street stores in New York City, have lease terms of 15 years.

We lease 89,000 square feet of office space at 112 West 34th Street in New York, New York. The facility is used as our corporate headquarters and for our design, sourcing and production teams. These leases expire in 2015 and 2016.

We have recently moved our New Jersey corporate office to Lyndhurst, New Jersey. This facility is used as administrative offices for finance, operations and information systems personnel. This lease for 69,000 square feet of office space expires in 2026 and provides us with a five year option to extend at the end of the initial term. The lease for our former Wayne, New Jersey corporate office expired in March 2012.

In addition, we lease a 315,000 square foot distribution and warehouse facility in South River, New Jersey. This lease expires in 2021. We also lease a second 360,000 square foot distribution facility in Ontario, California. This lease expires in 2015. These facilities are used to warehouse inventory needed to replenish and back-stock all of our U.S. and Puerto Rico stores, as well as to serve our general warehousing needs.

Item 3. *Legal Proceedings*

In October 2011, Aéropostale, Inc. and senior executive officers Thomas P. Johnson and Marc D. Miller were named as defendants in an action amended in February 2012, *City of Providence* v. *Aéropostale, Inc., et al.*, No. 11-7132, a class action lawsuit alleging violations of the federal securities laws. The lawsuit was filed in New York federal court on behalf of purchasers of Aéropostale securities between March 11, 2011 and August 18, 2011. The lawsuit alleges that the defendants made materially false and misleading statements regarding the Company's business and prospects and failed to disclose that Aéropostale was experiencing declining demand for its women's fashion division and increasing inventory. All defendants moved to dismiss this action on March 12, 2012. In the opinion of management, disposition of this matter is not expected to have a material effect on the Company's financial positions, results of operations or cash flows. We are vigorously defending this matter.

Also in October 2011, Aéropostale directors and/or senior executive officers Julian R. Geiger, Ronald R. Beegle, Robert B. Chavez, Michael J. Cunningham, Evelyn Dilsaver, John Haugh, Karin Hirtler-Garvey, John D. Howard, Thomas P. Johnson, and David B. Vermylen were named as defendants in *Bell* v. *Geiger, et al.*, No. 652931/2011, a shareholder lawsuit filed in New York state court seeking relief derivatively on behalf of Aéropostale. The action alleges that the defendants breached their fiduciary duties to Aéropostale between February 3, 2011 and August 3, 2011 by failing to establish and maintain internal controls that would have prevented the Company from disseminating allegedly false and misleading and inaccurate statements and other information to shareholders, and to manage and oversee the Company. As a result, plaintiff alleges that the defendants exposed the Company to potential liability in the federal securities class action lawsuit described above. A motion to dismiss this action was filed on December 16, 2011.

In January 2012, Sajid Karsan, who identifies himself as a stockholder of Aéropostale, demanded that the Aéropostale Board of Directors conduct a thorough investigation concerning possible claims for breach of fiduciary duty, insider trading, abuse of control, gross mismanagement, and unjust enrichment against the following directors and officers: Thomas P. Johnson, Marc D. Miller, Julian R. Geiger, Ronald R. Beegle, Robert B. Chavez, Michael J. Cunningham, Evelyn Dilsaver, John Haugh, Karin Hirtler-Garvey, John D. Howard, David B. Vermylen, Ross Citta, Mindy Meads, Mary Pile, Barbara Pindar, and Edward Slezak. Karsan demanded that this investigation be conducted by unbiased and disinterested individuals, that the results of the investigation be made available, that persons involved in the investigation be identified, and that a lawsuit be filed on behalf of Aéropostale against each of the named individuals, if warranted.

In February 2012, current and former Aéropostale directors and/or senior executive officers Mindy Meads, Bodil Arlander, Julian Geiger, Karin Hirtler-Garvey, Ronald Beegle, Robert Chavez, Michael Cunningham, Evelyn Dilsaver, John Haugh, John Howard, Thomas Johnson, Arthur Rubinfeld, and David Vermylen were named as defendants in *The Booth Family Trust v. Meads, et al.*, No. 650594/2012, a shareholder lawsuit filed in New York state court, seeking relief derivatively on behalf of Aéropostale. As in *Bell*, this action alleges that the defendants breached their fiduciary duties to Aéropostale by failing to establish and maintain internal controls that would have prevented the Company from disseminating allegedly false and misleading and inaccurate statements and other information to shareholders, and to manage and oversee the Company. As a result, and as in *Bell*, plaintiff alleges that the defendants have exposed the Company to losses and damages, including civil liability from the securities class action suit described above.

We are also party to various litigation matters and proceedings in the ordinary course of business. In the opinion of our management, dispositions of these matters are not expected to have a material adverse impact on our financial position, results of operations or cash flows.

Item 4. *Mine Safety Disclosures*

None

PART II

Item 5. *Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities*

Our common stock is traded on the New York Stock Exchange under the symbol "ARO". The following table sets forth the range of high and low sales prices of our common stock as reported on the New York Stock Exchange since February 1, 2010.

	Market Price	
	High	**Low**
Fiscal 2011		
4th quarter	$ 17.45	$ 13.58
3rd quarter	16.62	9.31
2nd quarter	25.49	16.85
1st quarter	26.64	23.05
Fiscal 2010		
4th quarter	$ 27.03	$ 23.04
3rd quarter	28.57	21.30
2nd quarter	30.88	27.14
1st quarter	32.08	21.89

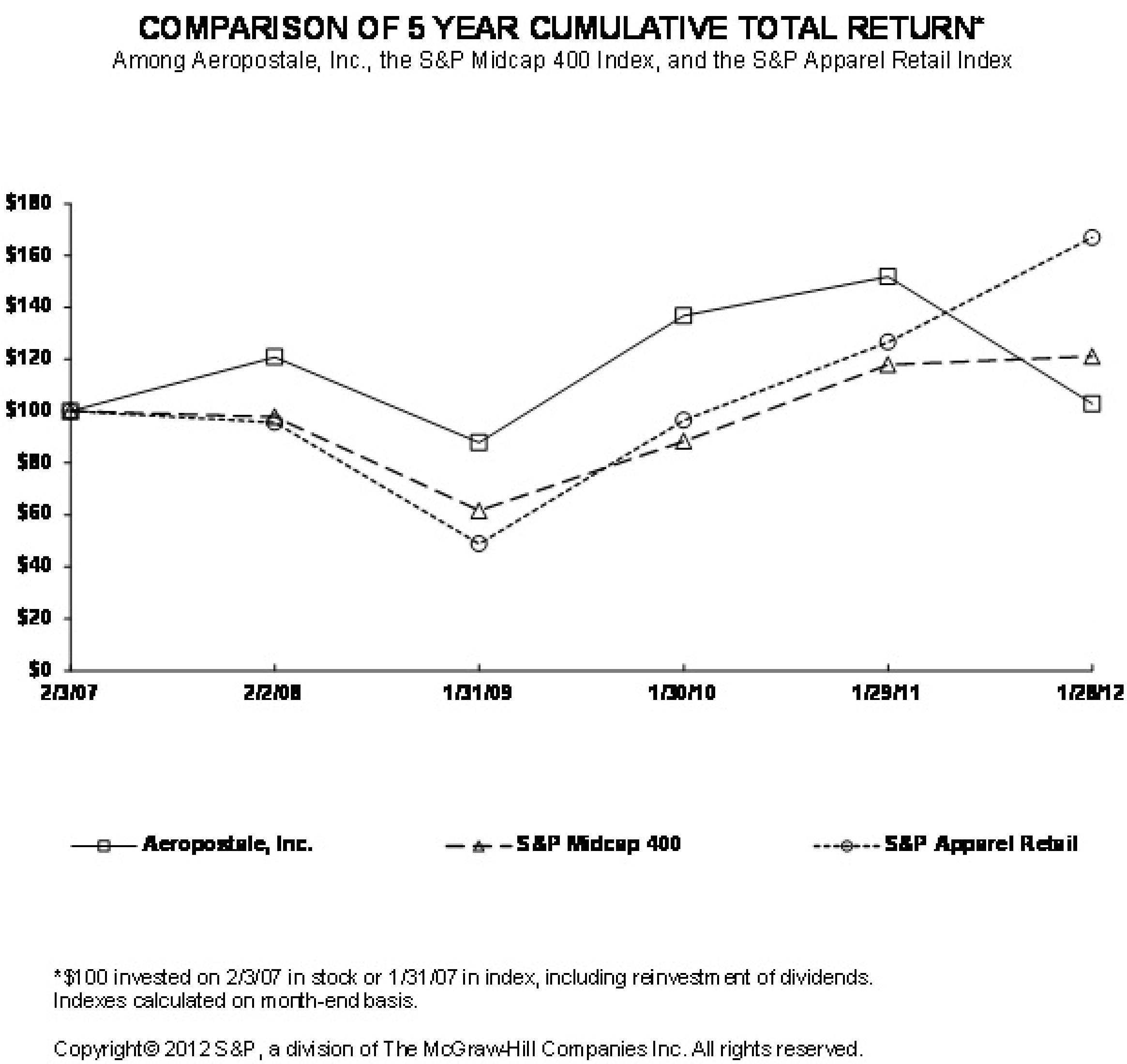
As of March 21, 2012, there were 699 stockholders of record. However, when including others holding shares in broker accounts under street name, we estimate the shareholder base at approximately 28,105.

All stock prices in the above table were adjusted for the three-for-two stock split on all shares of our common stock that was distributed on March 5, 2010.

Table of Contents

PERFORMANCE GRAPH

The following graph shows the changes, for the five-year period ended January 28, 2012, in the value of $100 invested in shares of our common stock, the Standard & Poor's MidCap 400 Composite Stock Price Index (the "S&P MidCap 400 Index") and the Standard & Poor's Apparel Retail Composite Index (the "S&P Apparel Retail Index"). The plotted points represent the closing price on the last trading day of the fiscal year indicated.



	2/3/07	2/2/08	1/31/09	1/30/10	1/29/11	1/28/12
Aeropostale, Inc.	**100.00**	**120.79**	**87.84**	**136.85**	**151.91**	**102.86**
S&P Midcap 400	**100.00**	**97.77**	**61.62**	**88.34**	**117.90**	**121.10**
S&P Apparel Retail	**100.00**	**95.64**	**48.78**	**96.46**	**126.65**	**167.01**

We have not paid a dividend on our common stock during our last three fiscal years, and we do not have any current intention to pay a dividend on our common stock.

We repurchase our common stock from time to time under a stock repurchase program. The repurchase program may be modified or terminated by the Board of Directors at any time, and there is no expiration date for the program. The extent and timing of repurchases will depend upon general business and market conditions, stock prices, opening and closing of our stock trading window, and liquidity and capital resource requirements going forward. Our purchases of treasury stock for the fourth quarter of fiscal 2011 and remaining availability pursuant to our share repurchase program were as follows:

Period	Total Number of Shares (or Units) Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that may yet be Purchased Under the Plans or Programs (a)
				(In thousands)
October 30 to November 26, 2011	—	$ —	—	$ 145,219
November 27 to December 31, 2011	—	—	—	$ 145,219
January 1 to January 28, 2012	—	—	—	$ 145,219
Total	—	$ —	—	

(a) The repurchase program may be modified or terminated by the Board of Directors at any time, and there is no expiration date for the program.

Item 6. *Selected Financial Data*

The following selected financial data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," and with our consolidated financial statements and other financial information appearing elsewhere in this document:

	Fiscal Year Ended				
	January 28, 2012 (1)	January 29, 2011 (2)	January 30, 2010	January 31, 2009	February 2, 2008 (4)
	(In thousands, except per share and store data)				
Statements of Income Data:					
Net sales	$ 2,342,260	$ 2,400,434	$ 2,230,105	$ 1,885,531	$ 1,590,883
Gross profit, as a percent of sales	26.0%	36.9%	38.0%	34.7%	34.8%
SG&A, as a percent of sales	21.1%	20.8%	20.8%	21.5%	21.7%
Income from operations, as a percent of sales	4.9%	16.1%	17.2%	13.2%	12.8%
Net income, as a percent of sales	3.0%	9.6%	10.3%	7.9%	8.2%
Net income	$ 69,515	$ 231,339	$ 229,457	$ 149,422	$ 129,197
Diluted earnings per common share (3)	$ 0.85	$ 2.49	$ 2.27	$ 1.47	$ 1.15
Selected Operating Data:					
Number of stores open at end of period	1,057	1,012	952	914	828
Comparable store sales change	(9)%	1%	10%	8%	3%
Comparable average unit retail change	(10)%	(4)%	3%	2%	(3)%

Average net sales per store (in thousands)	$ 2,064	$ 2,267	$ 2,243	$ 2,042	$ 1,932
Average square footage per store	3,698	3,659	3,601	3,594	3,546
Net store sales per average square foot	$ 561	$ 626	$ 624	$ 572	$ 545

	As of				
	January 28, 2012	January 29, 2011 (5)	January 30, 2010	January 31, 2009	February 2, 2008
			(In thousands)		
Balance Sheet Data:					
Working capital	$ 248,588	$ 253,463	$ 288,177	$ 218,444	$ 87,300
Total assets	735,233	773,197	792,309	657,919	514,169
Long-term liabilities	132,588	124,458	115,980	127,422	119,506
Total debt	—	—	—	—	—
Retained earnings (5)	459,279	389,764	922,790	693,333	543,911
Total stockholders' equity	409,434	432,637	434,489	355,060	197,276

(1) Cost of sales includes asset impairment charges of $16.0 million for fiscal 2011, including $14.8 million ($9.1 million after tax, or $0.11 per diluted share) recorded during the fourth quarter and $1.2 million ($0.8 million after tax, or $0.01 per diluted share) recorded during third quarter. During the second quarter of fiscal 2011, we recorded a benefit in cost of sales of $8.7 million ($5.3 million after tax, or $0.06 per diluted share), resulting a dispute with one of our sourcing agents, related to prior period allowances (See Notes 1 and 2 to the Notes to Consolidated Financial Statements for a further discussion).

(2) Selling, general and administrative expenses include a charge of $6.4 million ($3.9 million after tax, or $0.04 per diluted share) resulting from a retirement plan settlement payment that was recorded during the third quarter of fiscal 2010 (See Note 9 to the Notes to Consolidated Financial Statements for a further discussion).

(3) In March 2010, we completed a three-for-two stock split on all shares of our common stock. All share and per share amounts presented in the consolidated financial statements were retroactively adjusted for the common stock split, as were all previously reported periods contained herein.

(4) Includes initial gift card breakage income of $7.7 million ($4.8 million after tax, or $0.05 per diluted share) and other operating income of $4.1 million ($2.6 million after tax, or $0.03 per diluted share) as a result of a settlement payment from our former Executive Vice President and Chief Merchandising Officer, Christopher L. Finazzo, partially offset by an asset impairment charge due to the closure of our Jimmy'Z concept stores of $9.0 million ($5.7 million after tax, or $0.05 per diluted share).

(5) On October 20, 2010, we retired 47.5 million shares of our treasury stock. These shares remain as authorized stock; however they are now considered unissued. In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 505, "Equity" ("ASC 505"), the treasury stock retirement resulted in a reduction of the following on our consolidated balance sheet: common stock by $0.4 million, treasury stock by $764.8 million and retained earnings by $764.4 million. There was no effect on total stockholders' equity position as a result of the retirement.

Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations Introduction*

Cautionary Note Regarding Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve certain risks and uncertainties, including statements regarding our strategic direction, prospects and future results. Certain factors, including factors outside of our control, may cause actual results to differ materially from those contained in the forward-looking statements. The risk factors included in Part I, Item 1A should be read in connection with evaluating our business and future prospects. All forward looking statements included in this report are based on information available to us as of the date hereof, and we assume no obligation to update or revise such forward-looking statements to reflect events or circumstances that occur after such statements are made.

Overview

Fiscal 2011 was a year characterized by multiple challenges. We continued to evolve our merchandise assortment to better resonate with our customer while navigating through a highly promotional retail environment. In addition, we experienced significantly higher product costs compared to fiscal 2010. These macroeconomic, competitive and internal factors reduced our overall profitability for fiscal 2011.

Looking to fiscal 2012, we are focused on improving our financial performance by executing certain key initiatives. We will continue to refine our merchandise assortments and broaden our offering to meet the fashion needs of our customer. In addition, we continue to invest in our infrastructure to increase efficiencies and support our long-term growth drivers: P.S. from Aéropostale, e-commerce and international. While we expect macroeconomic and competitive challenges to continue, product costs are expected to decline during fiscal 2012 during the back half of the year.

The discussion in the following section is on a consolidated basis, unless indicated otherwise.

Fiscal 2011 Highlights

We achieved net sales of $2.3 billion during fiscal 2011, a decrease of $58.2 million or 2% from fiscal 2010. Gross profit, as a percentage of net sales, decreased by 10.9 percentage points for fiscal 2011. Selling, general and administrative expense, or SG&A, as a percentage of net sales, increased by 0.3 percentage points for fiscal 2011. The effective tax rate was 38.5% for fiscal 2011, compared with 40.2% for fiscal 2010. Net income for fiscal 2011 was $69.5 million, or $0.85 per diluted share, compared with net income of $231.3 million, or $2.49 per diluted share, for fiscal 2010.

As of January 28, 2012, we had working capital of $248.6 million, cash and cash equivalents of $223.7 million, no short-term investments and no debt outstanding. Merchandise inventories decreased by 5% on a per retail square foot basis as of January 28, 2012 compared to last year. Cash flows from operating activities were $129.3 million for fiscal 2011. We operated 1,057 total stores as of January 28, 2012, an increase of 45 stores from the same period last year.

During fiscal 2011, we repurchased 4.2 million shares of our common stock for $100.1 million, which were purchased during the first quarter. During fiscal 2010, we repurchased 10.3 million shares for $257.5 million. Program to date, we repurchased 57.1 million shares for $1.0 billion, at an average price of $17.57 per share. We have approximately $145.2 million of repurchase authorization remaining as of January 28, 2012 under the $1.15 billion share repurchase program.

Key Performance Measures

We use a number of key indicators of financial condition and operating performance to evaluate the performance of our business, including the following:

	Fiscal Year Ended		
	January 28, 2012	January 29, 2011	January 30, 2010
Net sales (in millions)	$ 2,342.3	$ 2,400.4	$ 2,230.1
Total store count at end of period	1,057	1,012	952
Comparable store count at end of period	974	918	878
Net sales change	(2)%	8%	18%
Comparable store sales change	(9)%	1%	10%
Comparable average unit retail change	(10)%	(4)%	3%
Comparable units per sales transaction change	7%	4%	4%
Comparable sales transaction change	(6)%	2%	4%
Net store sales per average square foot	$ 561	$ 626	$ 624
Average net sales per store (in thousands)	$ 2,064	$ 2,267	$ 2,243
Gross profit (in millions)	$ 608.3	$ 886.2	$ 847.1
Income from operations (in millions)	$ 113.5	$ 386.8	$ 382.7
Diluted earnings per share	$ 0.85	$ 2.49	$ 2.27
Average store square footage growth over comparable period	7%	6%	7%
Change in total inventory at end of period	4%	18%	5%
Change in inventory per retail square foot at end of period	(5)%	9%	(2)%
Percentages of net sales by category			
Women’s	66%	69%	70%
Men’s	34%	31%	30%

Results of Operations

The following table sets forth our results of operations expressed as a percentage of net sales. We also use this information to evaluate the performance of our business:

	Fiscal Year Ended		
	January 28, 2012	January 29, 2011	January 30, 2010
Net sales	100.0%	100.0%	100.0%

Gross profit	26.0	36.9	38.0
SG&A	21.1	20.8	20.8
Income from operations	4.9	16.1	17.2
Income before income taxes	4.9	16.1	17.2
Income taxes	1.9	6.5	6.9
Net income	3.0%	9.6%	10.3%

Sales

Net sales consist of sales from comparable stores, non-comparable stores, and from our e-commerce business. A store is included in comparable store sales after 14 months of operation. We consider a remodeled or relocated store with more than a 25% change in square feet to be a new store. Prior period sales from stores that have closed are not included in comparable store sales, nor are sales from our e-commerce business.

Net sales decreased by $58.2 million, or by 2% in fiscal 2011, as compared to fiscal 2010. The decrease in net sales was driven by a decrease in comparable store sales of 9% or $195.2 million, partially offset by average store square footage growth of 7%, primarily from new stores, and a 14% increase in our e-commerce business. Comparable store sales decreased in our young men's category and in our young women's category. The overall comparable store sales decrease reflected decreases of 10% in average unit retail and 6% in the number of sales transactions partially offset by an increase of 7% in units per sales transaction. Sales not included in comparable store sales increased by $137.0 million due primarily to 45 more stores open at the end of fiscal 2011 compared to the end of fiscal 2010. Total net sales not included in comparable store sales also includes net sales from our e-commerce business, which increased by 14% or $21.9 million to $182.1 million during fiscal 2011 when compared to the prior year.

Net sales increased by $170.3 million, or by 8% in fiscal 2010, as compared to fiscal 2009. The increase in net sales was driven by an increase in comparable store sales of 1% or $22.7 million, average store square footage growth of 6% (primarily from new stores) and from a 24% increase in our e-commerce business. Comparable store sales increased in our young men's category but decreased in our young women's category. The overall comparable store sales increase reflected increases of 4% in units per sales transaction and 2% in the number of sales transactions partially offset by a decrease of 4% in average unit retail. Sales not included in comparable store sales increased by $147.6 million due primarily to 60 more stores open at the end of fiscal 2010 compared to the end of fiscal 2009. Total net sales not included in comparable store sales also includes net sales from our e-commerce business, which increased by 24% or $31.2 million to $160.2 million during fiscal 2010 when compared to the prior year.

Cost of Sales and Gross Profit

Cost of sales includes costs related to merchandise sold, including inventory valuation adjustments, distribution and warehousing, freight from the distribution center to the stores, shipping and handling costs, payroll for our design, buying and merchandising departments, and occupancy costs. Occupancy costs include rent, contingent rents, common area maintenance, real estate taxes, utilities, repairs, maintenance, depreciation and amortization and impairment charges.

Gross profit, as a percentage of net sales, decreased by 10.9 percentage points in fiscal 2011 compared to fiscal 2010. The decrease in gross profit was due primarily to lower merchandise margin of 8.2 percentage points primarily resulting from significantly increased product costs and promotional activity compared to the prior year. Additionally, the decrease in gross margin was due to a 2.6 percentage point deleverage impact from occupancy, depreciation, and distribution and transportation expenses. Gross profit for fiscal 2011 was unfavorably impacted by 0.7 percentage points, or by $16.0 million, related to store asset impairment charges recorded during fiscal 2011. Gross profit for fiscal 2011 was also favorably impacted by 0.4 percentage points or by $8.7 million, resulting from the resolution of a dispute with one of our sourcing agents, related to prior period allowances (See Note 1 to the Notes to Consolidated Financial Statements for a further discussion).

Gross profit, as a percentage of net sales, decreased by 1.1 percentage points in fiscal 2010 compared to fiscal 2009. The decrease was due to lower merchandise margin of 0.6 percentage points primarily resulting from higher promotional activity and markdowns compared to the prior year, higher occupancy costs of 0.6 percentage points and higher depreciation costs of 0.1 percentage points. These were partially offset by lower distribution and transportation costs of 0.2 percentage points.

SG&A

SG&A includes costs related to selling expenses, store management and corporate expenses such as payroll and employee benefits, marketing expenses, employment taxes, information technology maintenance costs and expenses, insurance and legal expenses, e-commerce transaction expenses, store pre-opening and other corporate expenses. Store pre-opening expenses include store payroll, grand opening event marketing, travel, supplies and other store pre-opening expenses.

SG&A, as a percentage of net sales, increased by 0.3 percentage points but decreased by $4.5 million during fiscal 2011. SG&A for fiscal 2010 included a retirement plan settlement payment of $6.4 million, or 0.3 percent of net sales, that did not recur in fiscal 2011. The increase in SG&A as a percentage of net sales was largely due to a $5.6 million increase in volume related e-commerce transaction expenses, $4.2 million more store payroll expense from new store growth, and $2.6 million of higher marketing expenses. These increases were offset by a decrease in corporate expenses of $8.1 million, which included lower incentive and stock-based compensation as well as lower store transaction expenses of $2.4 million as a result of lower net sales.

SG&A remained consistent as a percentage of net sales, and increased by $34.9 million during fiscal 2010 compared to fiscal 2009. The increase in SG&A was largely due to an increase in volume related store-line expenses of $24.2 million, higher transaction costs of $12.8 million resulting primarily from new store growth, and $7.7 million of higher marketing costs. These costs were partially offset by a $9.7 million decrease in corporate expenses. Corporate expenses included lower incentive compensation and stock-based compensation, which were partially offset by the above mentioned retirement plan charge recorded during fiscal 2010 of $6.4 million, $4.1 million in information technology investments and $1.3 million in other costs.

Income Taxes

The provision for income taxes was $43.6 million for fiscal 2011, $155.3 million for fiscal 2010 and $153.3 million for fiscal 2009. Our effective tax rate was 38.5% for fiscal 2011, compared to 40.2% for fiscal 2010 and 40.1% for fiscal 2009. The decrease in the effective tax during fiscal 2011 was due primarily from favorable tax accrual adjustments. See Note 10 to the Notes to Consolidated Financial Statements.

Net Income and Earnings Per Share

Net income was $69.5 million, or $0.85 per diluted share, for fiscal 2011, compared with net income of $231.3 million, or $2.49 per diluted share, for fiscal 2010 and net income of $229.5 million, or $2.27 per diluted share, for fiscal 2009.

Net income for fiscal 2011 was unfavorably impacted by the above mentioned store asset impairment charges recorded in fiscal 2011 of $16.0 million ($9.9 million after tax, or $0.12 per diluted share). Net income for fiscal 2011 was favorably impacted by the $8.7 million ($5.3 million after tax, or $0.06 per diluted share) benefit recorded during the second quarter, resulting from the resolution of a dispute with one of our sourcing agents, related to prior period allowances.

Net income for fiscal 2010 was unfavorably impacted by a third quarter charge of $6.4 million ($3.9 million after tax, or $0.04 per diluted share), resulting from a retirement plan settlement payment.

Liquidity and Capital Resources

Our cash requirements are primarily for working capital, construction of new stores, remodeling of existing stores, and the improvement and enhancement of our information technology systems. Due to the seasonality of our business, we have historically realized a significant portion of our cash flows from operations during the second half of the year. Most recently, our cash requirements have been met primarily through cash and cash equivalents on hand during the first half of the year, and through cash flows from operations during the second half of the year. We expect to continue to meet our cash requirements for the next twelve months primarily through cash flows from operations, existing cash and cash equivalents and, if necessary our credit facility. At January 28, 2012, we had working capital of $248.6 million, cash and cash equivalents of $223.7 million and no debt outstanding under our $175.0 million credit facility.

The following table sets forth our cash flows for the period indicated (in thousands):

	Fiscal Year Ended		
	January 28, 2012	January 29, 2011	January 30, 2010
Net cash provided by operating activities	$ 129,301	$ 263,731	$ 334,440
Net cash used in investing activities	(73,323)	(100,807)	(53,883)
Net cash used in financing activities	(98,179)	(245,379)	(162,604)
Effect of exchange rate changes	360	1,032	493
Net (decrease) increase in cash and cash equivalents	$ (41,841)	$ (81,423)	$ 118,446

Operating Activities

Cash flows from operating activities, our principal form of liquidity on a full-year basis, decreased by $134.4 million in fiscal 2011 from $263.7 million in the prior year. This decrease was due primarily to the decrease in net income of $161.8 million, and was partially offset by the timing cash flows from operating assets and liabilities.

Cash flows from operating activities decreased by $70.7 million in fiscal 2010 from $334.4 million in the prior year. This decrease was due primarily to the timing of income tax payments, Supplemental Executive Retirement Plan (“SERP”) payments that were included in accrued expenses at January 30, 2010, and incentive compensation liability payments. In addition, cash used for merchandise inventories increased during fiscal 2010.

Investing Activities

We invested $73.3 million in capital expenditures in fiscal 2011, primarily to construct 24 new Aéropostale stores, 25 P.S. from Aéropostale stores, to remodel 50 existing stores and for a number of information technology investments. Our future capital requirements will depend primarily on the number of new stores we open, the number of existing stores we remodel and other strategic investments. In fiscal 2012, we plan to invest approximately $66.0 million in capital expenditures to open approximately 18 Aéropostale stores, approximately 30 P.S. from Aéropostale stores, to remodel approximately 5 stores and for a number of information technology investments.

We invested $100.8 million in capital expenditures in fiscal 2010, primarily to construct 35 new Aéropostale stores, 33 P.S. from Aéropostale stores, to remodel 40 existing stores and for a number of information technology investments.

We invested $53.9 million in capital expenditures in fiscal 2009, primarily to construct 39 new Aéropostale stores, 14 P.S. from Aéropostale stores, to remodel 15 existing stores and for a number of information technology investments.

Financing Activities

We repurchase our common stock from time to time under a stock repurchase program. The repurchase program may be modified or terminated by the Board of Directors at any time, and there is no expiration date for the program. The extent and timing of repurchases will depend upon general business and market conditions, stock prices, opening and closing of the stock trading window, and liquidity and capital resource requirements going forward.

During fiscal 2011, we repurchased 4.2 million shares of our common stock for $100.1 million, which were purchased during the first quarter. During fiscal 2010 and 2009, we repurchased 10.3 million shares for $257.5 million and 7.6 million shares for $174.3 million, respectively. Program to date, we repurchased 57.1 million shares for $1.0 billion, at an average price of $17.57 per share. As of January 28, 2012, we have approximately $145.2 million of repurchase authorization remaining under our $1.15 billion share repurchase program.

Revolving Credit Facility

On September 22, 2011, we entered into an amended and restated revolving credit facility with Bank of America, N.A. (the “Credit Facility”). The Credit Facility provides for and up to $175.0 million revolving credit line. The Credit Facility is available for working capital and general corporate purposes. The Credit Facility is scheduled to expire on September 22, 2016, and is guaranteed by all of our domestic subsidiaries (the “Guarantors”). The Credit Facility replaces a facility that provided for up to $150.0 million revolving credit line and was scheduled to expire on November 13, 2012 (the “Prior Credit Facility”). No amounts were outstanding during fiscal 2011 or as of January 28, 2012 under the current or Prior Credit Facility (See Note 6 to the Notes to Consolidated Financial Statements for a further discussion). Management has no reason at this time to believe that the participating institutions will be unable to fulfill their obligations to provide financing in accordance with the terms of the Credit Agreement in the event of our election to draw funds in the foreseeable future.

Loans under the Credit Facility are secured by all our assets and are guaranteed by the Guarantors. Upon the occurrence of a Cash Dominion Event (as defined in the Credit Facility and includes either any event of default or failure to maintain availability in an amount greater than 12.5% of the lesser of the borrowing base and facility commitment) our ability to borrow funds, make investments, pay dividends and repurchase shares of our common stock would be limited, among other limitations. Direct borrowings under the Credit Facility bear interest at a margin over either LIBOR or at the Prime Rate (as each such term is defined in the Credit Facility).

The Credit Facility also contains covenants that, subject to specified exceptions, restrict our ability to, among other things:

- incur additional debt or encumber assets of the Company;
- merge with or acquire other companies, liquidate or dissolve;
- sell, transfer, lease or dispose of assets; and
- make loans or guarantees.

Events of default under the Credit Facility include, subject to grace periods and notice provisions in certain circumstances, failure to pay principal amounts when due, breaches of covenants, misrepresentation, default on leases or other indebtedness, excess uninsured casualty loss, excess uninsured judgment or restraint of business, business failure or application for bankruptcy, institution of legal process or proceedings under federal, state or civil statutes, legal challenges to loan documents and a change in control. If an event of default occurs, the Lender will be entitled to take various actions, including the acceleration of amounts due thereunder and requiring that all such amounts be immediately paid in full as well as possession and sale of all assets that have been used as collateral. Upon the occurrence of an event of default under the Credit Facility, the lender may cease making loans, terminate the Credit Facility and declare all amounts outstanding to be immediately due and payable.

Upon the occurrence of our loan availability under the Credit Facility decreasing below 10% of the lesser of the borrowing base and the dollar amount of commitments under the Credit Facility, we would be required to meet a financial covenant for a Minimum Consolidated Fixed Charge Coverage Ratio of not less than 1.0 to 1.0.

As of January 28, 2012, we are not aware of any instances of noncompliance with any covenants or any other event of default under the Credit Facility. During fiscal 2011 and as of January 28, 2012, we had no outstanding balances or stand-by or commercial letters of credit issued under the Prior Credit Facility or the Credit Facility

Contractual Obligations

The following table summarizes our contractual obligations as of January 28, 2012:

	Payments Due by Period				
	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
			(In thousands)		
Contractual Obligations:					
Real estate operating leases	$ 974,512	$ 137,554	$ 253,058	$ 202,995	$ 380,905
Employment agreements	3,936	2,343	1,593	—	—
Equipment operating leases	7,789	3,445	4,344	—	—
Total contractual obligations	$ 986,237	$ 143,342	$ 258,995	$ 202,995	$ 380,905

The real estate operating leases included in the above table do not include contingent rent based upon sales volume, which amounted to approximately 14% of minimum lease obligations in fiscal 2011. In addition, the above table does not include variable costs paid to landlords such as maintenance, insurance and taxes, which represented approximately 55% of minimum lease obligations in fiscal 2011.

Our open purchase orders are cancelable without penalty and are therefore not included in the above table.

As discussed in Note 9 to the Notes to Consolidated Financial Statements, we have a SERP liability of $11.6 million at January 28, 2012 and other retirement plan liabilities of $2.1 million at January 28, 2012. Such liability amounts are not reflected in the table above.

Our total liabilities for unrecognized tax benefits were $3.9 million at January 28, 2012. We cannot make a reasonable estimate of the amount and timing of related future payments for these non-current liabilities of $3.9 million. Therefore these liabilities were not included in the above table.

In August 2011, we entered into a new three-year sourcing agreement with one of our sourcing agents. The sourcing agreement may be terminated at any time during the term by mutual agreement of the parties and provided that appropriate notice is given in accordance with the agreement. In connection with the sourcing agreement, we have a guaranteed minimum product purchase commitment of $350.0 million that is measured over any consecutive two-year period during the term of the agreement. If we purchase less than this amount over the two-year measurement period, then we will be obligated to pay the contracted commission on the shortfall from the guaranteed minimum. As of January 28, 2012, we expect to meet our minimum product purchase commitment. In addition, if we were to cancel purchase orders with this sourcing agent, we may have to reimburse the agent for costs and expenses, if any, that it had incurred. We had not issued any other third party guarantees or commercial commitments as of January 28, 2012.

The above table also does not include contingent bonus compensation agreements with certain of our employees. The bonuses become payable if the individual is employed by us on the future payment date. The amount of conditional bonuses that may be paid is $1.9 million during fiscal 2012 and $0.5 million during fiscal 2013.

We have employment agreements with Thomas P. Johnson, our Chief Executive Officer and Michael J. Cunningham, our President. The total contractual commitment for these agreements combined is $3.9 million as of January 28, 2012. The table above reflects the aforementioned agreements included in "Employment agreements".

Off-Balance Sheet Arrangements

Other than operating lease commitments set forth in the table above, we are not a party to any material off-balance sheet financing arrangements. We have not created, and are not a party to, any special-purpose or off-balance sheet entities for the purpose of raising capital, incurring debt or operating our business. We do not have any arrangements or relationships with entities that are not consolidated into the financial statements that are reasonably likely to materially affect our liquidity or the availability of capital resources. As of January 28, 2012, we have not issued any letters of credit for the purchase of merchandise inventory or any capital expenditures.

Critical Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. These estimates and assumptions also affect the reported amounts of revenues and expenses. Estimates by their nature are based on judgments and available information. Therefore, actual results could materially differ from those estimates under different assumptions and conditions.

Critical accounting policies are those that are most important to the portrayal of our financial condition and the results of operations and require management's most difficult, subjective and complex judgments as a result of the need to make estimates about the effect of matters that are inherently uncertain. Our most critical accounting policies have been discussed in Note 1 of the Notes to Consolidated Financial Statements. In applying such policies, management must use significant estimates that are based on its informed judgment. Because of the uncertainty inherent in these estimates, actual results could differ from estimates used in applying the critical accounting policies. Changes in such estimates, based on more accurate future information, may affect amounts reported in future periods.

Merchandise Inventory

Merchandise inventory consists of finished goods and is valued utilizing the cost method at lower of cost or market on a weighted average basis. We use estimates during interim periods to record a provision for inventory shortage. We also make certain assumptions regarding future demand and net realizable selling price in order to assess that our inventory is recorded properly at the lower of cost or market. These assumptions are based on both historical experience and current information. We believe that the carrying value of merchandise inventory is appropriate as of January 28, 2012. However, actual results may differ materially from those estimated and could have a material impact on our consolidated financial statements. For example, a 10% difference in our estimate of inventory at the lower of cost or market as of January 28, 2012 would have impacted net income by $1.5 million for the fiscal year ended January 28, 2012.

Income Taxes

Income taxes are accounted for in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 740, "Income Taxes" ("ASC 740"). Under ASC 740, income taxes are recognized for the amount of taxes payable for the current year and deferred tax assets and liabilities for the future tax consequence of events that have been recognized differently in the financial statements than for tax purposes. Deferred tax assets and liabilities are established using statutory tax rates and are adjusted for tax rate changes. We consider accounting for income taxes critical to our operations because management is required to make significant subjective judgments in developing our provision for income taxes, including the determination of deferred tax assets and liabilities, and any valuation allowances that may be required against deferred tax assets.

ASC 740 clarifies the accounting for uncertainty in income tax recognized in an entity's financial statements and requires companies to determine whether it is "more likely than not" that a tax position will be sustained upon examination by the appropriate taxing authorities before any part of the benefit can be recorded in the financial statements. For those tax positions where it is not "more likely than not" that a tax benefit will be sustained, no tax benefit is recognized. Where applicable, associated interest and penalties are also recorded. This interpretation also provides guidance on de-recognition, classification, accounting in interim periods, and expanded disclosure requirements (see Note 10 to the Notes to Consolidated Financial Statements).

Long-Lived Assets

We periodically evaluate the need to recognize impairment losses relating to long-lived assets. Long-lived assets are evaluated for recoverability whenever events or changes in circumstances indicate that an asset may have been impaired. Factors we consider important that could trigger an impairment review include the following:

- significant changes in the manner of our use of assets or the strategy for our overall business;
- significant negative industry or economic trends;
- store closings; or
- under-performing business trends.

In evaluating an asset for recoverability, we estimate the future cash flows expected to result from the use of the asset and its eventual disposition. Management makes assumptions and applies judgment to estimate future cash flows and the weighted average cost of capital. These assumptions include factors such as historical and forecasted results and trends. If the sum of the expected future cash flows is less than the carrying amount of the asset, we would write the asset down to fair value and we would record an impairment charge. Additionally, we have recorded store impairment charges of $16.0 million for 39 stores in fiscal 2011 compared to $0.7 million for one store in fiscal 2010 and $3.0 million for six stores in fiscal 2009 (see Note 2 to the Notes to Consolidated Financial Statements for a further discussion). We believe that the carrying values of finite-lived assets, and their useful lives, are appropriate as of January 28, 2012. However, actual results may differ materially from those estimated which could result in additional impairments of store long-lived assets in future periods, and could have a material impact on our consolidated financial statements.

Defined Benefit Retirement Plan

We maintain a SERP, which is a non-qualified defined benefit plan for certain officers. The plan is non-contributory, is not funded and provides benefits based on years of service and compensation during employment. Pension expense is determined using various actuarial cost methods to estimate the total benefits ultimately payable to officers, and this cost is allocated to service periods. The actuarial assumptions used to calculate pension costs are reviewed annually. We believe that these assumptions have been appropriate and that, based on these assumptions, the SERP non-current liability of $11.6 million is appropriately stated as of January 28, 2012. However, actual results may differ from those estimated and could have an impact on our consolidated financial statements in the future. For example, if we had changed the expected discount rate by 0.5% in fiscal 2011, pension expense would have changed by less than $60,000.

Recent Accounting Developments

See the section *"Recent Accounting Developments"* included in Note 1 in the Notes to Consolidated Financial Statements for a discussion of recent accounting developments and their impact on our consolidated financial statements.

Item 7A. ***Quantitative and Qualitative Disclosures about Market Risk***

As of January 28, 2012, we had no outstanding borrowings under our Credit Facility. In addition, we had no stand-by or commercial letters of credit issued under the Credit Facility. To the extent that we may borrow pursuant to the Credit Facility in the future, we may be exposed to market risk related to interest rate fluctuations.

Unrealized foreign currency gains and losses, resulting from the translation of our Canadian subsidiary's financial statements into our U.S. dollar reporting currency are reflected in the equity section of our consolidated balance sheet in accumulated other comprehensive loss. The balance of the unrealized gain included in accumulated other comprehensive loss was $2.5 million as of January 28, 2012. A 10% movement in quoted foreign currency exchange rates could result in a fair value translation fluctuation of approximately $3.4 million, which would be recorded in accumulated other comprehensive loss as an unrealized gain or loss.

We also face transactional currency exposures relating to merchandise that our Canadian subsidiary purchases using U.S. dollars. These foreign currency transaction gains and losses are charged or credited to earnings as incurred. We do not hedge our exposure to this currency exchange fluctuation, and transaction gains and losses to date have not been significant.

Table of Contents

Item 8. ***Financial Statements and Supplementary Data***

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Aéropostale, Inc.
New York, New York

We have audited the accompanying consolidated balance sheets of Aéropostale, Inc. and subsidiaries (the "Company") as of January 28, 2012 and January 29, 2011, and the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for each of the three fiscal years in the period ended January 28, 2012. Our audits also included the financial statement schedule listed in the Index at Item 15. These financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Aéropostale, Inc. and subsidiaries as of January 28, 2012 and January 29, 2011, and the results of their operations and their cash flows for each of the three fiscal years in the period ended January 28, 2012, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of January 28, 2012, based on the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 28, 2012 expressed an unqualified opinion on the Company's internal control over financial reporting.

/s/ Deloitte and Touche LLP

New York, New York

March 28, 2012

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Aéropostale, Inc.
New York, New York

We have audited the internal control over financial reporting of Aéropostale, Inc. and subsidiaries (the "Company") as of January 28, 2012, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of January 28, 2012, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements and financial statement schedule as of and for the fiscal year ended January 28, 2012 of the Company and our report dated March 28, 2012 expressed an unqualified opinion on those financial statements and financial statement schedule.

/s/ Deloitte and Touche LLP

New York, New York

March 28, 2012

AÉROPOSTALE, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	January 28, 2012	January 29, 2011
	(In thousands, except per share data)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 223,712	$ 265,553
Merchandise inventory	163,522	156,596
Prepaid expenses	28,023	24,533
Prepaid taxes	7,199	—
Deferred income taxes	7,406	13,593
Other current assets	11,937	9,290
Total current assets	441,799	469,565
Fixtures, equipment and improvements — net	287,393	299,242
Deferred income taxes	1,071	98
Other assets	4,970	4,292
Total assets	$ 735,233	$ 773,197
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 103,476	$ 103,014
Accrued expenses	89,735	113,088
Total current liabilities	193,211	216,102
Lease related liabilities	102,865	101,504
Non-current retirement benefit plan liabilities	13,696	10,829
Other non-current liabilities	588	363
Uncertain tax contingency liabilities	3,913	4,298
Non-current deferred tax liabilities	11,526	7,464
Total non-current liabilities	132,588	124,458
Commitments and contingent liabilities		
Stockholders' equity:		

Preferred stock — par value, $0.01 per share; 5,000 shares authorized, no shares issued or outstanding	—	—
Common stock — par value, $0.01 per share; 200,000 shares authorized, 91,259 and 90,692 shares issued	913	907
Additional paid-in capital	206,670	195,401
Accumulated other comprehensive loss	(839)	(443)
Retained earnings	459,279	389,764
Treasury stock at cost — 10,429 and 6,112 shares	(256,589)	(152,992)
Total stockholders' equity	409,434	432,637
Total liabilities and stockholders' equity	$ 735,233	$ 773,197

See Notes to Consolidated Financial Statements.

Table of Contents

AÉROPOSTALE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

	Fiscal Year Ended		
	January 28, 2012	January 29, 2011	January 30, 2010
	(In thousands, except per share data)		
Net sales	$ 2,342,260	$ 2,400,434	$ 2,230,105
Cost of sales (includes certain buying, occupancy and warehousing expenses)	1,733,916	1,514,272	1,382,958
Gross profit	608,344	886,162	847,147
Selling, general and administrative expenses	494,829	499,368	464,462
Income from operations	113,515	386,794	382,685
Interest (expense) income	(417)	(118)	121
Income before income taxes	113,098	386,676	382,806
Income taxes	43,583	155,337	153,349
Net income	$ 69,515	$ 231,339	$ 229,457
Basic earnings per common share	$ 0.86	$ 2.52	$ 2.30
Diluted earnings per common share	$ 0.85	$ 2.49	$ 2.27
Weighted average basic shares	81,208	91,700	99,629
Weighted average diluted shares	81,811	92,762	101,025

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Fiscal Year Ended		
	January 28, 2012	January 29, 2011	January 30, 2010
	(In thousands)		
Net income	$ 69,515	$ 231,339	$ 229,457
Pension liability, net of tax	(535)	4,219	(712)
Foreign currency translation adjustment	139	2,331	2,717
Comprehensive income	$ 69,119	$ 237,889	$ 231,462

See Notes to Consolidated Financial Statements.

Table of Contents

AÉROPOSTALE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock		Additional Paid-in	Treasury Stock, at Cost		Accumulated Other Comprehensive	Retained	
	Shares	Amount	Capital	Shares	Amount	Loss	Earnings	Total
				(In thousands)				
BALANCE, JANUARY 31, 2009	135,708	$ 1,358	$ 145,498	(35,313)	$ (476,131)	$ (8,998)	$ 693,333	$ 355,060
Net income	—	—	—	—	—	—	229,457	229,457
Stock options exercised	845	8	10,461	—	—	—	—	10,469
Pension liability (net of tax of $598)	—	—	—	—	—	(712)	—	(712)
Excess tax benefit from stock-based compensation	—	—	1,184	—	—	—	—	1,184
Repurchase of common stock	—	—	—	(7,583)	(174,257)	—	—	(174,257)
Stock-based compensation	—	—	14,673	—	—	—	—	14,673
Foreign currency translation adjustment	—	—	—	—	—	2,717	—	2,717
Vesting of stock	537	5	(1)	(199)	(4,106)	—	—	(4,102)
BALANCE, JANUARY 30, 2010	137,090	1,371	171,815	(43,095)	(654,494)	(6,993)	922,790	434,489
Net income	—	—	—	—	—	—	231,339	231,339
Stock options exercised	520	5	6,973	—	—	—	—	6,978
Pension liability (net of tax of $3,006)	—	—	—	—	—	4,219	—	4,219
Excess tax benefit from stock-based compensation	—	—	5,128	—	—	—	—	5,128
Repurchase of common stock	—	—	—	(10,289)	(257,485)	—	—	(257,485)
Stock-based compensation	—	—	11,485	—	—	—	—	11,485

Foreign currency translation adjustment	—	—	—	—	—	2,331	—	2,331
Vesting of stock	571	6	—	(217)	(5,853)	—	—	(5,847)
Retirement of treasury stock	(47,489)	(475)	—	47,489	764,840	—	(764,365)	—
BALANCE, JANUARY 29, 2011	90,692	907	195,401	(6,112)	(152,992)	(443)	389,764	432,637
Net income	—	—	—	—	—	—	69,515	69,515
Stock options exercised	110	3	1,483	—	—	—	—	1,486
Pension liability (net of tax of $443)	—	—	—	—	—	(535)	—	(535)
Excess tax benefit from stock-based compensation	—	—	453	—	—	—	—	453
Repurchase of common stock	—	—	—	(4,163)	(100,118)	—	—	(100,118)
Issuance of treasury stock	—	—	(44)	3	80	—	—	36
Stock-based compensation	—	—	9,377	—	—	—	—	9,377
Foreign currency translation adjustment	—	—	—	—	—	139	—	139
Vesting of stock	457	3	—	(157)	(3,559)	—	—	(3,556)
BALANCE, JANUARY 28, 2012	91,259	$ 913	$ 206,670	(10,429)	$ (256,589)	$ (839)	$ 459,279	$ 409,434

See Notes to Consolidated Financial Statements.

AÉROPOSTALE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Fiscal Year Ended		
	January 28, 2012	January 29, 2011	January 30, 2010
		(In thousands)	
Cash Flows Provided by Operating Activities			
Net income	$ 69,515	$ 231,339	$ 229,457
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	65,113	58,045	49,863
Asset impairment charges	16,036	674	2,988
Stock-based compensation	9,413	11,485	14,673
Amortization of tenant allowances	(12,932)	(12,864)	(12,348)
Amortization of deferred rent expense	5,775	7,070	1,366
Pension expense	1,889	7,993	3,361
Deferred income taxes	9,679	18,823	(4,170)
Excess tax benefits from stock-based compensation	(453)	(5,128)	(1,184)
Changes in operating assets and liabilities:			
Merchandise inventory	(7,095)	(23,100)	(5,599)
Prepaid expenses and other assets	(14,219)	(4,989)	(1,308)
Accounts payable	512	11,904	13,210
Accrued expenses and other liabilities	(13,932)	(37,521)	44,131
Net cash provided by operating activities	129,301	263,731	334,440
Cash Flows Used in Investing Activities			
Capital expenditures	(73,323)	(100,807)	(53,883)
Net cash used in investing activities	(73,323)	(100,807)	(53,883)
Cash Flows Used in Financing Activities			
Purchase of treasury stock	(100,118)	(257,485)	(174,257)
Proceeds from stock options exercised	1,486	6,978	10,469
Excess tax benefits from stock-based compensation	453	5,128	1,184
Net cash used in financing activities	(98,179)	(245,379)	(162,604)
Effect of exchange rate changes	360	1,032	493
Net (Decrease) Increase in Cash and Cash Equivalents	(41,841)	(81,423)	118,446
Cash and Cash Equivalents, Beginning of Year	265,553	346,976	228,530
Cash and Cash Equivalents, End of Year	$ 223,712	$ 265,553	$ 346,976
Supplemental Disclosures of Cash Flow Information:			
Income taxes paid	$ 49,964	$ 147,700	$ 139,019
Accruals related to purchases of property and equipment	$ 1,397	$ 5,182	$ 696

See Notes to Consolidated Financial Statements.

ÁEROPOSTALE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Organization

References to the "Company," "we," "us," or "our" means Aéropostale, Inc. and its subsidiaries, except as expressly indicated or unless the context otherwise requires. We are a primarily mall-based, specialty retailer of casual apparel and accessories, principally targeting 14 to 17 year-old young women and men through our Aéropostale stores and 4 to 12 year-old kids through our P.S. from Aéropostale stores. As of January 28, 2012, we operated 986 Aéropostale stores, consisting of 918 stores in 50 states and Puerto Rico, 68 stores in Canada, as well as 71 P.S. from Aéropostale stores in 20 states. In addition, pursuant to various licensing agreements, our licensees operated 14 Aéropostale and P.S. from Aéropostale stores in Middle East and South East Asia. These licensees are expected to continue opening new stores in these regions. Also during 2011, we signed another licensing agreement, pursuant to which the licensee is expected to open approximately 30 stores in Turkey over the next five years.

Basis of Consolidation and Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S."). The consolidated financial statements include the accounts of Aéropostale, Inc. and its subsidiaries. All inter-company accounts and transactions have been eliminated in consolidation.

Fiscal Year

Our fiscal year ends on the Saturday nearest to January 31. The 2011 fiscal year ended January 28, 2012, the 2010 fiscal year ended January 29, 2011, and the 2009 fiscal year ended January 30, 2010 were 52 week periods. The 2012 fiscal year ending February 2, 2013 will be a 53 week period.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. Actual results could differ materially from those estimated.

The most significant estimates made by management include those made in the areas of merchandise inventory valuation, the supplemental executive retirement plan, impairment analysis of long-lived assets, and income taxes. Management periodically evaluates estimates used in the preparation of the consolidated financial statements for continued reasonableness. Appropriate adjustments, if any, to the estimates used are made prospectively based on such periodic evaluations.

Concentration of Credit Risk

Financial instruments that potentially subject us to concentrations of credit risk consist of cash and cash equivalents. We invest our excess cash in demand deposits and money market funds that are classified as cash equivalents. We have established guidelines that relate to credit quality, diversification and maturity and that limit exposure to any one issuer of securities.

During fiscal 2011 and 2010, we sourced approximately 87% and 85%, respectively, of our merchandise from our top five merchandise vendors. The loss of any of these sources could adversely impact our ability to operate our business.

Seasonality

Our business is highly seasonal, and historically we have realized a significant portion of our sales, net income, and cash flow in the second half of the fiscal year, attributable to the impact of the back-to-school selling season in the third quarter and the holiday selling season in the fourth quarter. Additionally, working capital requirements fluctuate during the year, increasing in mid-summer in anticipation of the third and fourth quarters.

Translation of Foreign Currency Financial Statements and Foreign Currency Transactions

The financial statements of our Canadian subsidiary have been translated into United States dollars by translating balance sheet accounts at the year-end exchange rate and statement of income accounts at the average exchange rates for the year. Foreign currency translation gains and losses are reflected in the equity section of our consolidated balance sheet in accumulated other comprehensive loss and are not adjusted for income taxes as they relate to a permanent investment in our subsidiary in Canada. The balance of the unrealized foreign currency translation adjustment included in accumulated other comprehensive loss was income of $2.5 million as of January 28, 2012 compared to income of $2.4 million as of January 29, 2011. Foreign currency transaction gains and losses are charged or credited to earnings as incurred.

Cash Equivalents

We include credit card receivables and all short-term investments that qualify as cash equivalents with an original maturity of three months or less in cash and cash equivalents.

Fair Value Measurements

We follow the guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, "Fair Value Measurement Disclosures" ("ASC 820") as it relates to financial and nonfinancial assets and liabilities. We currently have no financial assets or liabilities that are measured at fair value. Our non-financial assets, which include fixtures, equipment and improvements, are not required to be measured at fair value on a recurring basis. However, if certain triggering events occur, or if an impairment test is required and we are required to evaluate the non-financial asset for impairment, a resulting asset impairment would require that the non-financial asset be recorded at fair value. ASC 820 prioritizes inputs used in measuring fair value into a hierarchy of three levels: Level 1—quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2—inputs other than quoted prices included within Level 1 that are either directly or indirectly observable; and Level 3—unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

The fair value of cash and cash equivalents, receivables (included in other current assets), and accounts payable approximates their carrying value due to their short-term maturities.

Merchandise Inventory

Merchandise inventory consists of finished goods and is valued utilizing the cost method at the lower of cost or market determined on a weighted average basis. Merchandise inventory includes warehousing, freight, merchandise and design costs as an inventory product cost. We make certain assumptions regarding future demand and net realizable selling price in order to assess that our inventory is recorded properly at the lower of cost or market. These assumptions are based on both historical experience and current information. We recorded adjustments to reduce the carrying value of inventory and increase cost of sales for lower of cost or market of $14.8 million as of January 28, 2012 and $12.0 million as of January 29, 2011.

Vendor Rebates

We receive vendor rebates from certain merchandise suppliers. The vendor rebates are earned as we receive merchandise from the suppliers and are computed at an agreed upon percentage of the purchase amount. Vendor rebates are recorded as a reduction of merchandise inventory, and are then recognized as a reduction of cost of sales when the related inventory is sold. Vendor rebates recorded as a reduction of the carrying value of merchandise inventory were $2.1 million as of January 28, 2012 and $1.8 million as of January 29, 2011. Vendor rebates recorded as a reduction of cost of sales were $13.0 million for fiscal 2011, $10.2 million for fiscal 2010, and $8.8 million for fiscal 2009.

Fixtures, Equipment and Improvements

Fixtures, equipment and improvements are stated at cost. Depreciation and amortization are provided for by the straight-line method over the following estimated useful lives:

Fixtures and equipment	10 years
Leasehold improvements	Lesser of useful lives or lease term

Computer equipment	5 years
Software	3 years

Evaluation for Long-Lived Asset Impairment

We periodically evaluate the need to recognize impairment losses relating to long-lived assets in accordance with FASB ASC Topic 360, “Property, Plant and Equipment” (“ASC 360”). Long-lived assets are evaluated for recoverability whenever events or changes in circumstances indicate that an asset may have been impaired. In evaluating an asset for recoverability, we estimate the future undiscounted cash flows expected to result from the use of the asset and its eventual disposition. If the sum of the expected future cash flows is less than the carrying amount of the asset, we write the asset down to fair value and we record impairment charges, accordingly. The estimation of fair value is measured by discounting expected future cash flows. The recoverability assessment related to store-level assets requires judgments and estimates of future revenues, gross margin rates, store expenses and the weighted average cost of capital. We base these estimates upon our past and expected future performance. We believe our estimates are appropriate in light of current market conditions. However, actual results may differ materially from those estimated which could result in additional impairments of store long-lived assets in future periods, and could have a material impact on our consolidated financial statements.

Pre-Opening Expenses

New store pre-opening costs are expensed as they are incurred.

Leases

Our store operating leases typically provide for fixed non-contingent rent escalations. Rent payments under our store leases typically commence when the store opens. These leases include a pre-opening period that allows us to take possession of the property to fixture and merchandise the store. We recognize rent expense on a straight-line basis over the non-cancelable term of each individual underlying lease, commencing when we take possession of the property (see Note 11 for a further discussion).

In addition, our store leases require us to pay additional rent based on specified percentages of sales, after we achieve specified annual sales thresholds. We use store sales trends to estimate and record liabilities for these additional rent obligations during interim periods. Most of our store leases entitle us to receive tenant allowances from our landlords. We record these tenant allowances as a deferred rent liability, which we amortize as a reduction of rent expense over the non-cancelable term of each underlying lease.

Revenue Recognition

Sales revenue is recognized at the “point of sale” in our stores, and at the time our e-commerce customers take possession of merchandise. Allowances for sales returns are recorded as a reduction of net sales in the periods in which the related sales are recognized. Also included in sales revenue is shipping revenue from our e-commerce customers. Sales tax collected from customers is excluded from revenue and is included in accrued expenses on our Consolidated Balance Sheets. Revenue from licensing arrangements is recognized when earned in accordance with the terms of the underlying agreement, generally based upon the greater of the contractually earned or guaranteed minimum royalty levels. During fiscal 2011, we launched a loyalty rewards program for our P.S. from Aéropostale stores. Accordingly, we have recorded a deferred sales liability within accrued expenses in connection with this program. The amount recorded was not material to the financial statements for any period presented.

Gift Cards

We sell gift cards to our customers in our retail stores, through our websites, and through select third parties. We do not charge administrative fees on unused gift cards and our gift cards do not have an expiration date. Revenue is not recorded on the purchase of gift cards. A current liability is recorded upon purchase, and revenue is recognized when the gift card or store credits are redeemed for merchandise. We also recognize breakage income for the portion of gift cards estimated to be unredeemed. We have relieved our legal obligation to escheat the value of unredeemed gift cards to the relevant jurisdiction. We therefore determined that the likelihood of certain gift cards being redeemed by the customer was remote, based upon historical redemption patterns of gift cards. For those gift cards that we determined redemption to be remote, we reversed our liability and recorded gift card breakage income in net sales. We recorded net sales related to gift card breakage income of $5.6 million in fiscal 2011, $5.8 million in fiscal 2010 and $4.0 million in fiscal 2009 (see Note 5).

Cost of Sales

Cost of sales includes costs related to merchandise sold, including inventory valuation adjustments, distribution and warehousing, freight from the distribution center to the stores, shipping and handling costs, payroll for our design, buying and merchandising departments, and occupancy costs. Occupancy costs include rent, contingent rent, common area maintenance, real estate taxes, utilities, repairs, maintenance, depreciation and amortization and impairment charges.

Cost of sales for fiscal 2011 includes a benefit of $8.7 million resulting from the resolution of a dispute with one of our sourcing agents, related to prior period allowances recorded in the second quarter. Of this benefit, $8.0 million relates to fiscal years 2007 through 2010 and is not material to any individual prior period.

Selling, General and Administrative Expenses

Selling, general and administrative expenses, or SG&A, include costs related to selling expenses, store management and corporate expenses such as payroll and employee benefits, marketing expenses, employment taxes, information technology maintenance costs and expenses, insurance and legal expenses, e-commerce transaction expenses , store pre-opening and other corporate level expenses. Store pre-opening expenses include store level payroll, grand opening event marketing, travel, supplies and other store pre-opening expenses.

Self-Insurance

We self-insure our workers compensation claims and our employee medical benefits. The recorded liabilities for these obligations are calculated primarily using historical experience and current information. The liabilities include amounts for actual claims and estimated claims incurred but not yet reported. Self-insurance liabilities were $4.8 million at January 28, 2012 and $5.1 million at January 29, 2011. We paid workers compensation claims of $0.8 million in fiscal 2011, $0.8 million in fiscal 2010 and $0.7 million in fiscal 2009. In addition, we paid employee medical claims of $13.8 million in fiscal 2011, $13.2 million in fiscal 2010 and $11.8 million in fiscal 2009.

Retirement Benefit Plans

Our retirement benefit plan costs are accounted for using actuarial valuations required by FASB ASC Topic 715 “Compensation – Retirement Benefits” (“ASC 715”). ASC 715 requires an entity to recognize the funded status of its defined pension plans on the balance sheet and to recognize changes in the funded status that arise during the period but are not recognized as components of net periodic benefit cost, within other comprehensive loss, net of income taxes (see Note 9 for a further discussion).

Marketing Costs

Marketing costs, which include e-commerce, print, radio and other media advertising, are expensed at the point of first broadcast or distribution, and were $11.8 million in fiscal 2011, $9.7 million in fiscal 2010, and $8.5 million in fiscal 2009.

Stock-Based Compensation

We follow the provisions from the FASB ASC Topic 718 “Compensation – Stock Compensation” (“ASC 718”). Under such guidance, all forms of share-based payment to employees and directors, including stock options, must be treated as compensation and recognized in the income statement (see Note 8 for a further discussion).

Segment Reporting

FASB ASC Topic 280, “Segment Reporting” (“ASC 280”), establishes standards for reporting information about a company’s operating segments. It also establishes standards for related disclosures about products and services, geographic areas and major customers. We operate in and report as a single aggregated operating segment, which includes the operations of our Aéropostale retail stores, P.S. from Aéropostale retail stores, our Aéropostale and P.S. from Aéropostale e-commerce sites, and licensing revenue. We do not rely on any major customers as a source of revenue. Licensing revenue was less than 1% of total net sales for each period presented.

The following tables present summarized geographical information (in thousands):

	Fiscal 2011	Fiscal 2010	Fiscal 2009
Net sales:			
United States[1]	$ 2,214,176	$ 2,281,421	$ 2,141,247
Canada	128,084	119,013	88,858
Total net sales	$ 2,342,260	$ 2,400,434	$ 2,230,105

[1] Amounts represent sales from U.S. and Puerto Rico retail stores, as well as e-commerce sales, that are billed to and/or shipped to foreign countries and licensing revenue.

	January 28, 2012	January 29, 2011
Long-lived assets, net:		
United States	$ 260,112	$ 269,447
Canada	27,281	29,795
Total long-lived assets, net	$ 287,393	$ 299,242

Our consolidated net sales mix by merchandise category was as follows:

Merchandise Categories	Fiscal 2011	Fiscal 2010	Fiscal 2009
Young Women's	66%	69%	70%
Young Men's	34	31	30
Total Merchandise Sales	100%	100%	100%

Income Taxes

Income taxes are accounted for in accordance with FASB ASC Topic 740, "Income Taxes" ("ASC 740"). Under ASC 740, income taxes are recognized for the amount of taxes payable for the current year and deferred tax assets and liabilities for the future tax consequence of events that have been recognized differently in the financial statements than for tax purposes. Deferred tax assets and liabilities are established using statutory tax rates and are adjusted for tax rate changes.

ASC 740 clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements and requires companies to determine whether it is "more likely than not" that a tax position will be sustained upon examination by the appropriate taxing authorities before any part of the benefit can be recorded in the financial statements. For those tax positions where it is not "more likely than not" that a tax benefit will be sustained, no tax benefit is recognized. Where applicable, associated interest and penalties are also recorded. Interest and penalties, if any, are recorded within the provision for income taxes in our Consolidated Statements of Income and are classified on the Consolidated Balance Sheets with the related liability for uncertain tax contingency liabilities.

A valuation allowance against our deferred tax assets is recorded when it is more likely than not that some portion or all of the deferred tax assets will not be realized. In determining the need for a valuation allowance, management is required to make assumptions and to apply judgment, including forecasting future earnings, taxable income, and the mix of earnings in the jurisdictions in which we operate. Management assesses the need for a valuation allowance based on our current and anticipated results of operations. The need for and the amount of valuation allowances can change in future periods if operating results and projections change significantly.

Reclassifications

Certain reclassifications to the long-term liabilities in the Consolidated Balance Sheet were made to prior year amounts to conform to the current period presentation. In addition, certain reclassifications to separately present of asset impairment charges in the Consolidated Statements of Cash Flows were made to conform to the current period presentation.

Recent Accounting Developments

In December 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2011-12, "Comprehensive Income (Topic 220): Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05." ASU 2011-12 defers the specific requirement to present items that are reclassified from accumulated other comprehensive income to net income separately with their respective components of net income and other comprehensive income. ASU 2011-12 did not defer the requirement to report comprehensive income either in a single continuous statement or in two separate but consecutive financial statements. The amendments are effective at the same time as the amendments in ASU 2011-05.

In June 2011, the FASB issued ASU 2011-05, "Comprehensive Income (Topic 220): Presentation of Comprehensive Income." ASU 2011-05 eliminates the option that permits the presentation of other comprehensive income in the statement of changes in equity and requires presenting components of net income and comprehensive income in either a one-statement approach with totals for both net income and comprehensive income, or a two-statement approach where a statement presenting the components of net income and total net income must be immediately followed by a financial statement that presents the components of other comprehensive income, a total for other comprehensive income, and a total for comprehensive income. The guidance provided in ASU No. 2011-05 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2011 and should be applied retrospectively. We do not expect the adoption of this ASU to have a material impact on our consolidated financial statements.

2. Asset Impairment

We have recorded store impairments of $16.0 million in fiscal 2011 for 39 stores. Of this charge, $1.2 million was recorded during the third quarter of fiscal 2011 for three stores and $14.8 million was recorded during the fourth quarter of fiscal 2011 for 36 stores. We recorded store impairments of $0.7 million in fiscal 2010 for one store and $3.0 million in fiscal 2009 for six stores. These charges were included in cost of sales. These amounts include the write-down of long-lived assets at stores that were assessed for impairment because of changes in circumstances that indicated the carrying value of an asset may not be recoverable or management's intention to relocate or close the stores. Impairment charges were primarily related to revenues not meeting targeted levels at the respective stores as a result of macroeconomic conditions, location related conditions and other factors that are negatively impacting the sales and cash flows of these locations.

Long-lived assets are measured at fair value on a nonrecurring basis for purposes of calculating impairment using Level 3 inputs as defined in the fair value hierarchy as described in note 1. The fair value of long-lived assets is determined by estimating the amount and timing of net future discounted cash flows. We estimate future cash flows based on our experience, current trends and local market conditions.

The table below sets forth by level within the fair value hierarchy the fair value of long-lived assets for which an impairment was recognized during the year (in thousands):

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value	Total Losses January 28, 2012
Long-lived assets held and used	$ —	$ —	$ 979	$ 979	$ 16,036

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value	Total Losses January 29, 2011

Long-lived assets held and used	$ —	$ —	$ —	$ —	$ 674

In accordance with the provisions of the Impairment or Disposal of Long-Lived Assets Subsections of ASC 360, long-lived assets held and used with a carrying amount of $17.0 million were written down to their fair value, resulting in an impairment charge of $16.0 million, which was included in earnings for fiscal 2011. For fiscal 2010, long-lived assets held and used with a carrying amount of $0.7 million were written down to zero, which is their fair value, resulting in an impairment charge of $0.7 million, which was included in earnings.

During fiscal 2009, we completed the closure of our 14 store Jimmy'Z concept that was launched in 2005. Inventory, severance and lease termination charges recorded in fiscal 2009 were not material to the consolidated financial statements and all costs associated with closing the Jimmy'Z store were incurred and paid as of January 30, 2010.

3. Stockholders' Equity

Stock Repurchase Program

We repurchase our common stock from time to time under a stock repurchase program. The repurchase program may be modified or terminated by the Board of Directors at any time, and there is no expiration date for the program. The extent and timing of repurchases will depend upon general business and market conditions, stock prices, opening and closing of the stock trading window, and liquidity and capital resource requirements going forward.

During fiscal 2011, we repurchased 4.2 million shares for $100.1 million, which were purchased during the first quarter. During fiscal 2010 and 2009, we repurchased 10.3 million shares for $257.5 million and 7.6 million shares for $174.3 million, respectively.

Program to date, we repurchased 57.1 million shares for $1.0 billion, at an average price of $17.57 per share. As of January 28, 2012, we have approximately $145.2 million of repurchase authorization remaining under our $1.15 billion share repurchase program.

Retirement of Treasury Stock

In October 2010, we retired 47.5 million shares of our treasury stock. These shares remain as authorized stock; however they are now considered unissued. In accordance with ASC Topic 505, "Equity" ("ASC 505"), the treasury stock retirement resulted in a reduction of the following on our consolidated balance sheet: common stock by $0.4 million, treasury stock by $764.8 million and retained earnings by $764.4 million. There was no effect on total stockholders' equity position as a result of the retirement.

Accumulated Other Comprehensive Loss

The following table sets forth the components of accumulated other comprehensive loss (in thousands):

	January 28, 2012	January 29, 2011
Pension liability, net of tax	$ (3,358)	$ (2,823)
Cumulative foreign currency translation adjustment[1]	2,519	2,380
Total accumulated other comprehensive loss	$ (839)	$ (443)

[1] Foreign currency translation adjustments are not adjusted for income taxes as they relate to a permanent investment in our subsidiary in Canada.

4. Fixtures, Equipment and Improvements

Fixtures, equipment and improvements consist of the following (in thousands):

	January 28, 2012	January 29, 2011
Leasehold improvements	$ 351,150	$ 321,853
Fixtures and equipment	148,709	134,787
Computer equipment and software	101,082	86,687
Construction in progress	1,397	5,182
	602,338	548,509
Less accumulated depreciation and amortization	314,945	249,267
	$ 287,393	$ 299,242

Depreciation and amortization expense was $65.1 million in fiscal 2011, $58.0 million in fiscal 2010, and $49.9 million in fiscal 2009.

5. Accrued Expenses

Accrued expenses consist of the following (in thousands):

	January 28, 2012	January 29, 2011
Accrued gift cards	$ 27,897	$ 27,673
Accrued compensation	14,107	23,838
Accrued rent	12,027	16,225
Income taxes payable	1,315	10,047
Other	34,389	35,305
	$ 89,735	$ 113,088

6. Revolving Credit Facility

On September 22, 2011, we entered into an amended and restated revolving credit facility with Bank of America, N.A., as agent for the lenders (the "Credit Facility"). The Credit Facility provides for a revolving credit line with up to $175.0 million in borrowing capacity. The Credit Facility is available for working capital and general corporate purposes, including the repurchase of our capital stock and for our capital expenditures. The Credit Facility is scheduled to expire on September 22, 2016 and is guaranteed by all of our domestic subsidiaries (the "Guarantors"). The Credit Facility replaces the existing facility that provided for up to $150.0 million revolving credit line and was scheduled to expire on November 13, 2012 (the "Prior Credit Facility").

Loans under the Credit Facility are secured by all our assets and are guaranteed by the Guarantors. Upon the occurrence of a Cash Dominion Event (as defined in the Credit Facility and includes either any event of default or failure to maintain availability in an amount greater than 12.5% of the lesser of the borrowing base and facility commitment) our ability to borrow funds, make investments, pay dividends and repurchase shares of our common stock would be limited, among other limitations. Direct borrowings under the Credit Facility bear interest at a margin over either LIBOR or at the Prime Rate (as each such term is defined in the Credit Facility).

The Credit Facility also contains covenants that, subject to specified exceptions, restrict our ability to, among other things:

- incur additional debt or encumber assets of the Company;
- merge with or acquire other companies, liquidate or dissolve;
- sell, transfer, lease or dispose of assets; and
- make loans or guarantees.

Events of default under the Credit Facility include, subject to grace periods and notice provisions in certain circumstances, failure to pay principal amounts when due, breaches of covenants, misrepresentation, default on leases or other indebtedness, excess uninsured casualty loss, excess uninsured judgment or restraint of business, business failure or application for bankruptcy, institution of legal process or proceedings under federal, state or civil statutes, legal challenges to loan documents and a change in control. If an event of default occurs, the Lender will be entitled to take various actions, including the acceleration of amounts due thereunder and requiring that all such amounts be immediately paid in full as well as possession and sale of all assets that have been used as collateral. Upon the occurrence of an event of default under the Credit Facility, the lender may cease making loans, terminate the Credit Facility and declare all amounts outstanding to be immediately due and payable.

Upon the occurrence of our loan availability under the Credit Facility decreasing below 10% of the lesser of the borrowing base and the dollar amount of commitments under the Credit Facility, we would be required to meet a financial covenant for a Minimum Consolidated Fixed Charge Coverage Ratio of not less than 1.0 to 1.0.

As of January 28, 2012, we are not aware of any instances of noncompliance with any covenants or any other event of default under the Credit Facility. During fiscal 2011 and as of January 28, 2012, we had no outstanding balances or stand-by or commercial letters of credit issued under the Prior Credit Facility or the Credit Facility.

7. Earnings Per Share

In accordance with ASC 260, basic earnings per share has been computed based upon the weighted average of common shares during the applicable fiscal year. Diluted net income per share includes the additional dilutive effect of our potentially dilutive securities, which include certain stock options, restricted stock units and performance shares.

Earnings per common share has been computed as follows (in thousands, except per share data):

	Fiscal 2011	Fiscal 2010	Fiscal 2009
Net income	$ 69,515	$ 231,339	$ 229,457
Weighted average basic shares	81,208	91,700	99,629
Impact of dilutive securities	603	1,062	1,396
Weighted average diluted shares	81,811	92,762	101,025
Per common share:			
Basic earnings per share	$ 0.86	$ 2.52	$ 2.30
Diluted earnings per share	$ 0.85	$ 2.49	$ 2.27

Options to purchase 315,977 shares in fiscal 2011 and 6,000 shares in fiscal 2009 were excluded from the computation of diluted earnings per share because the exercise prices of the options were greater than the average market price of the common shares. All options to purchase shares were included in the computation of diluted earnings per share during fiscal 2010.

8. Stock-Based Compensation

Under the provisions of ASC 718, all forms of share-based payment to employees and directors, including stock options, must be treated as compensation and recognized in the income statement.

Non-Vested Stock

Certain of our employees and all of our directors have been awarded non-vested stock, pursuant to non-vested stock agreements. The non-vested stock awarded to employees generally cliff vests after up to three years of continuous service with us. All non-vested stock immediately vests upon a change in control of the Company. Grants of non-vested stock awarded to directors vest in full after one-year.

The following table summarizes non-vested shares of stock outstanding at January 28, 2012:

	Shares	Weighted-Average Grant-Date Fair Value
	(In thousands)	
Outstanding as of January 30, 2011	753	$ 22.22
Granted	762	$ 20.31
Vested	(343)	$ 23.12
Cancelled	(36)	$ 22.29
Outstanding as of January 28, 2012	1,136	$ 20.66

Total compensation expense is being amortized over the vesting period. Compensation expense was $9.2 million for fiscal 2011, $7.5 million for fiscal 2010 and $8.1 million for fiscal 2009. As of January 28, 2012, there was $10.7 million of unrecognized compensation cost related to non-vested stock awards that is expected to be recognized over the weighted average period of one year. The total fair value of shares vested was $7.9 million during fiscal 2011, $7.4 million during fiscal 2010 and $8.2 million during fiscal 2009.

Performance Shares

Certain of our executives have been awarded performance shares, pursuant to performance shares agreements. The performance shares vest at the end of three years of continuous service with us, and the number of shares ultimately awarded is contingent upon meeting various cumulative consolidated earnings targets. All performance shares immediately vest upon a change in control of the Company. Compensation cost for the performance shares are periodically reviewed and adjusted based upon the probability of achieving certain performance goals targets. If the probability of achieving targets changes, compensation cost will be adjusted in the period that the probability of achievement changes.

The following table summarizes performance shares of stock outstanding at January 28, 2012:

	Shares (In thousands)	Weighted-Average Grant-Date Fair Value
Outstanding as of January 30, 2011	422	$ 18.44
Granted	—	—
Vested	(114)	$ 18.86
Cancelled	(96)	$ 21.93
Outstanding as of January 28, 2012	212	$ 16.65

Total compensation expense is being amortized over the vesting period. Compensation expense was $0.4 million for fiscal 2011, $2.0 million for fiscal 2010 and $3.9 million in fiscal 2009. As of January 28, 2012, there was $0.2 million of unrecognized compensation cost related to performance shares awards that is expected to be recognized over the weighted average period of less than one year.

Stock Options

We have stock option plans under which we may grant qualified and non-qualified stock options to purchase shares of our common stock to executives, consultants, directors, or other key employees. As of January 28, 2012, a total of 3,668,903 shares were available for future grant under our plans compared to a total of 4,154,784 shares as of January 29, 2011. Stock options may not be granted at less than the fair market value at the date of grant. Stock options generally vest over four years on a pro-rata basis and expire after eight years. All outstanding stock options immediately vest upon (i) a change in control of the Company and (ii) termination of the employee within one year of such change of control. We granted 10,000 options during fiscal 2011. We did not grant any stock options during fiscal 2010 or 2009.

The fair value of options was estimated on the date of grant using the Black-Scholes option-pricing model. The Black-Scholes model requires certain assumptions, including estimating the length of time employees will retain their vested stock options before exercising them (“expected term”), the estimated volatility of our common stock price over the expected term and the number of options that will ultimately not complete their vesting requirements (“forfeitures”). Changes in the subjective assumptions can materially affect the estimate of fair value of stock-based compensation and consequently, the related amount recognized in the consolidated statements of income.

In accordance with the provisions of ASC 718, the fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model based on certain assumptions for the grants in the respective periods.

We have elected to adopt the simplified method to establish the beginning balance of the additional paid-in capital pool (“APIC Pool”) related to the tax effects of employee share-based compensation, and to determine the subsequent impact on the APIC Pool and consolidated statements of cash flows of the tax effects of employee and director share-based awards that were outstanding.

The effects of applying the provisions of ASC 718 and the results obtained through the use of the Black-Scholes option-pricing model are not necessarily indicative of future values.

The following tables summarize stock option transactions for common stock for fiscal 2011:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
	(In thousands)		(In years)	(In millions)
Outstanding as of January 30, 2011	746	$ 15.68		
Granted	10	$ 16.72		
Exercised	(110)	$ 13.52		
Cancelled[1]	(53)	$ 18.40		
Outstanding as of January 28, 2012	593	$ 15.86	2.70	$ 0.9
Options vested and expected to vest [2] at January 28, 2012	591	$ 15.86	2.70	$ 0.9
Exercisable as of January 28, 2012	562	$ 15.73	2.55	$ 0.9

[1] The number of options cancelled includes approximately 52,000 expired shares.
[2] The number of options expected to vest takes into consideration estimated expected forfeitures.

We recognized $(0.2) million in compensation expense related to stock options in fiscal 2011, $2.0 million in fiscal 2010 and $2.7 million in fiscal 2009. The intrinsic value of options exercised was $0.4 million in fiscal 2011, $5.7 million in fiscal 2010, and $8.0 million in fiscal 2009.

The following tables summarize information regarding non-vested outstanding stock options as of January 28, 2012:

	Shares	Weighted Average Grant-Date Fair Value
	(In thousands)	
Non-vested as of January 30, 2011	187	$ 8.19
Granted	10	$ 6.43
Vested	(165)	$ 8.19
Cancelled	(1)	$ 8.29
Non-vested as of January 28, 2012	31	$ 7.60

As of January 28, 2012, there was $0.1 million of total unrecognized compensation cost related to non-vested options that we expect to be recognized over the remaining weighted average vesting period of two years.

9. Retirement Benefit Plans

Retirement benefit plan liabilities consisted of the following (in thousands):

	January 28, 2012	January 29, 2011
Supplemental Executive Retirement Plan (“SERP”)	$ 11,601	$ 9,597
Other retirement plan liabilities	2,095	2,559
Total	13,696	12,156
Less amount classified in accrued expenses related to SERP	—	1,327

Long-term retirement benefit plan liabilities	$ 13,696	$ 10,829

401(k) Plan

We maintain a qualified, defined contribution retirement plan with a 401(k) salary deferral feature that covers substantially all of our employees who meet certain requirements. Under the terms of the plan, employees may contribute, subject to statutory limitations, up to 100% of gross earnings and we will provide a matching contribution of 50% of the first 5% of gross earnings contributed by the participants. We also have the option to make additional contributions. Each matching contribution vests over a five-year service period with 20% vesting after two years and 50% vesting after year three. Vesting increases thereafter at a rate of 25% per year so that participants will be fully vested after five years of service. Contribution expense was $1.3 million in fiscal 2011, $1.1 million in fiscal 2010 and $1.1 million in fiscal 2009. In addition, during fiscal 2011, we established a defined contribution plan for eligible Canadian employees who meet certain requirements. Contribution expense was not material to the financial statements for any period presented.

Supplemental Executive Retirement Plan

Our SERP is a non-qualified defined benefit plan for certain officers. The plan is non-contributory and not funded and provides benefits based on years of service and compensation during employment. Participants are fully vested upon entrance in the plan. Pension expense is determined using the projected unit credit cost method to estimate the total benefits ultimately payable to officers and this cost is allocated to service periods. The actuarial assumptions used to calculate pension costs are reviewed annually.

The following information about the SERP is provided below (in thousands):

	January 28, 2012	January 29, 2011
CHANGE IN BENEFIT OBLIGATION:		
Benefit obligation at beginning of period	$ 9,597	$ 25,282
Service cost	584	884
Interest cost	497	957
Plan amendments	—	—
Actuarial loss	2,298	106
Benefits paid	—	—
Settlements	(1,375)	(17,632)
Special termination benefits	—	—
Benefit obligation at end of period	$ 11,601	$ 9,597
CHANGE IN PLAN ASSETS:		
Fair value of plan assets at beginning of period	$ —	$ —
Actual return on plan assets	—	—
Employer contributions	1,375	17,632
Benefits paid	(1,375)	(17,632)
Settlements	—	—
Fair value of plan assets at end of period	$ —	$ —
Funded status at end of period	$ (11,601)	$ (9,597)
AMOUNTS RECOGNIZED IN THE STATEMENT OF FINANCIAL POSITION:		
Noncurrent assets	$ —	$ —
Current liabilities	—	(1,327)
Noncurrent liabilities	(11,601)	(8,270)
	$ (11,601)	$ (9,597)
AMOUNTS RECOGNIZED IN ACCUMULATED OTHER COMPREHENSIVE LOSS:		
Net loss	$ 4,687	$ 3,098
Prior service cost	611	685
Total	$ 5,298	$ 3,783
INFORMATION FOR PENSION PLANS WITH AN ACCUMULATED BENEFIT OBLIGATION IN EXCESS OF PLAN ASSETS:		
Projected benefit obligation	$ 11,601	$ 9,597
Accumulated benefit obligation	6,280	5,331
Fair value of plan assets	—	—

Pension expense includes the following components (in thousands):

	Fiscal		
	2011	2010	2009
COMPONENTS OF NET PERIODIC BENEFIT COST:			
Service cost	$ 584	$ 884	$ 686
Interest cost	497	957	1,514
Expected return on plan assets	—	—	—
Amortization of prior service cost	74	74	74
Amortization of net loss	208	556	628
Net periodic benefit cost	1,363	2,471	$ 2,902
Settlement loss	501	6,789	—
Total benefit cost	$ 1,864	$ 9,260	$ 2,902
OTHER CHANGES IN PLAN ASSETS AND BENEFIT OBLIGATIONS RECOGNIZED IN OTHER COMPREHENSIVE LOSS:			
Net actuarial loss	$ 2,298	$ 106	$ 1,858
Prior service cost	—	—	—
Amortization of net loss	(208)	(556)	(628)
Amortization of prior service cost	(74)	(74)	(74)
Settlement loss	(501)	(6,789)	—
Total recognized in other comprehensive loss	$ 1,515	$ (7,313)	$ 1,156
Total recognized in net periodic benefit cost and other comprehensive loss	$ 3,379	$ 1,947	$ 4,058
WEIGHTED AVERAGE ASSUMPTIONS USED:			
Discount rate to determine benefit obligations	3.95%	5.50%	5.60%
Discount rate to determine net periodic pension cost	5.13%	5.38%	6.75%
Rate of compensation increase[1]	4.50%	4.50%	4.50%

[1] Rate of compensation is used for determining the benefit obligation and net periodic pension cost.

The estimated net loss and prior service cost for the defined benefit pension plan that will be amortized from accumulated other comprehensive loss into net periodic benefit cost over the next fiscal year are $278,000 and $74,000, respectively. The estimated net loss and prior service cost for the other postretirement plan that will be amortized from accumulated other comprehensive loss into net periodic benefit cost over the next fiscal year are not material to the consolidated financial statements.

The discount rates were determined by matching a published set of zero coupon yields and associated durations to expected plan benefit payment streams to obtain an implicit internal rate of return.

During the third quarter of 2010, we made a payment from our SERP of approximately $16.7 million to our former Chairman and Chief Executive Officer. Such amount was paid from our cash flows from operations. In connection with this payment, during the third quarter of 2010, we recorded a charge of $6.4 million in selling, general and administrative expenses representing the settlement loss, with a corresponding amount recorded to relieve accumulated other comprehensive loss included in our stockholders' equity. This accounting treatment is in accordance with settlement accounting procedures under the provisions of ASC 715-30-35-79.

Other Retirement Plan Liabilities

We have a long-term incentive deferred compensation plan established for the purpose of providing long-term incentives to a select group of management. The plan is a non-qualified, defined contribution plan and is not funded. Participants in this plan include all employees designated by us as Vice President, or other higher-ranking positions that are not participants in the SERP. We record annual monetary credits to each participant's account based on compensation levels and years as a participant in the plan. Annual interest credits are applied to the balance of each participant's account based upon established benchmarks. Each annual credit is subject to a three-year cliff-vesting schedule, and participants' accounts will be fully vested upon retirement after completing five years of service and attaining age 55. Compensation expense and the liability related to this plan was not material to our consolidated financial statements for any period presented.

We have a postretirement benefit plan for certain executives that provides retiree medical and dental benefits. The plan is an other post-employment benefit plan and is not funded. Pension expense and the liability related to this plan were not material to our consolidated financial statements for any period presented.

We do not expect to contribute to the SERP and expect to contribute less than $100,000 to the postretirement benefit plan for fiscal 2012 through fiscal 2021. The amount of cash contributions we are required to make to the plans could increase or decrease depending on when employees make retirement elections and other factors which are not in the control of the Company. Our expected cash contributions to the plans are equal to the expected benefit payments.

10. Income Taxes

Domestic and foreign pretax income is as follows (in thousands):

	Fiscal		
	2011	2010	2009
Domestic	$ 121,799	$ 375,364	$ 376,773
Foreign	(8,701)	11,312	6,033
Total income before provision for income taxes	$ 113,098	$ 386,676	$ 382,806

The provision for income taxes consists of the following (in thousands):

	Fiscal		
	2011	2010	2009
Current:			
Federal	$ 28,543	$ 105,768	$ 127,119
State and local	4,604	26,814	28,865
Foreign	757	3,932	1,535
	$ 33,904	$ 136,514	$ 157,519
Deferred:			
Federal	$ 9,622	$ 18,945	$ (3,204)
State and local	2,782	(229)	(1,479)
Foreign	(2,725)	107	513
	$ 9,679	$ 18,823	$ (4,170)
	$ 43,583	$ 155,337	$ 153,349

Reconciliation of the U.S. statutory tax rate with our effective tax rate is summarized as follows:

	Fiscal		
	2011	2010	2009
Federal statutory rate	35.0%	35.0%	35.0%
Increase (decrease) in tax resulting from:			
State income taxes, net of federal tax benefit, before valuation allowance	3.9	4.6	4.6
State income tax valuation allowance	1.2	—	(0.1)
Other	(1.6)	0.6	0.6
Effective rate	38.5%	40.2%	40.1%

The components of the net deferred income tax assets and liabilities are as follows (in thousands):

	January 28, 2012	January 29, 2011
Current:		
Inventory	$ (786)	$ 2,308
Unredeemed gift cards	2,040	1,637
Accrued compensation	3,377	7,189
Retirement benefit plan liabilities	—	599
Net operating loss carry-back	1,803	—
Other	972	1,853
Net current deferred tax assets	$ 7,406	$ 13,586
Non-current:		
Furniture, equipment and improvements	$ (34,636)	$ (26,748)
Retirement benefit plan liabilities	5,372	4,194
Stock-based compensation	7,347	8,236
Deferred rent and tenant allowances	7,673	3,075
Net operating loss carry-forwards (“NOL’s”)	3,248	2,623
Valuation allowance for NOL’s	(1,248)	(196)
Other	1,789	1,450
Net non-current deferred tax liabilities	(10,455)	(7,366)
Net deferred income tax (liabilities) assets	$ (3,049)	$ 6,220

As of January 28, 2012, we had approximately $87.2 million of domestic state and Canadian NOL’s that will expire between 2016 and 2032. Accordingly, we recorded deferred tax assets for the net operating loss carrybacks and carryforwards, before valuation allowance of $5.1 million as of January 28, 2012. Additionally, as of January 28, 2012, we recorded a valuation allowance of $1.4 million against deferred tax assets including certain of these state NOL’s. The increase in the valuation allowance from the prior year is primarily due to additional state NOL’s generated in standalone states in fiscal 2011. Subsequent recognition of these deferred tax assets that were previously reduced by the valuation allowance would result in an income tax benefit in the period of such recognition.

We have not recognized any United States (“U.S.”) tax expense on undistributed foreign earnings as they are intended to be indefinitely reinvested outside of the U.S. income (loss) derived from foreign jurisdictions is not material to the consolidated financial statements. In addition, there were no significant undistributed earnings at January 28, 2012.

We follow the provisions of FASB ASC Topic 740, “Income Taxes” (“ASC 740”), which clarifies the accounting and disclosure for uncertainty in income taxes. Uncertain tax position liabilities, inclusive of interest and penalty, were $3.9 million as of January 28, 2012, $4.3 million as of January 29, 2011 and $4.9 million as of January 30, 2010. Reversal of these liabilities, along with reversal of related deferred tax assets, would favorably impact our effective tax rate.

The amount of unrecognized tax benefits relating to our tax positions is subject to change based on future events including, but not limited to, the settlements of ongoing audits and/or the expiration of applicable statues of limitations. Although the outcomes and timing of such events are highly uncertain, we anticipate that the balance of the liability for unrecognized tax benefits and related deferred tax assets will decrease by a net of approximately $0.8 million during the next twelve months. However, changes in the occurrence, expected outcomes and timing of those events could cause our current estimate to change materially in the future. Our portion of gross unrecognized tax benefits that would affect our effective tax rate, including interest and penalties, is $3.9 million.

We recognize interest and, if applicable, penalties, which could be assessed, related to uncertain tax positions in income tax expense. We were not required to record additional interest and penalties in fiscal 2011. We recorded approximately $(0.5) million and $0.9 million in additional interest and penalties, before federal and, if applicable, state tax effect in fiscal 2010 and 2009, respectively. We had liabilities for accrued interest and penalties of $1.1 million as of January 28, 2012 and $1.1 million as of January 29, 2011.

Below is a reconciliation of the beginning and ending amount of the gross unrecognized tax benefits relating to uncertain tax positions, which are recorded in our Consolidated Balance Sheets.

	Unrecognized Tax Benefits (In thousands)
Balance at January 31, 2009	$ 1,937
Increases due to tax positions related to prior years	1,312
Increases due to tax positions related to current year	139
Decreases due to tax positions related to prior years	(20)
Decreases due to expiration of statute of limitations	(84)
Balance at January 30, 2010	$ 3,284
Increases due to tax positions related to prior years	1,317
Increases due to tax positions related to current year	131
Decreases due to settlements with taxing authorities	(1,504)
Balance at January 29, 2011	$ 3,228
Increases due to tax positions related to prior years	165
Decreases due to tax positions related to prior years	(6)
Decreases due to lapse of statute of limitations	(347)
Decreases due to settlements with taxing authorities	(227)
Balance at January 28, 2012	$ 2,813

We file U.S. and Canadian federal, various state and provincial income tax returns. Our U.S. federal filings for the years 2006 through 2008 were examined by the IRS and were settled and we paid approximately $0.7 million relating to this settlement in the fourth quarter of fiscal 2010. This liability was included in the above balance of uncertain tax position liabilities at January 30, 2010. The examination liability related to the timing of taxable revenue from unredeemed gift cards. Certain tax returns remain open for examination generally for our 2007 through 2010 tax years by various taxing authorities. However, certain states may keep their statute open for six to ten years.

11. Commitments and Contingencies

Leases — We are committed under non-cancelable leases for our entire store, distribution centers and office space locations, which generally provide for minimum rent plus additional increases in real estate taxes and certain operating expenses. Certain leases also require contingent rent based on sales.

The aggregate minimum annual real estate rent commitments as of January 28, 2012 are as follows (in thousands):

Due in Fiscal Year	Total
2012	$ 137,554
2013	131,604
2014	121,454
2015	108,406
2016	94,589
Thereafter	380,905
Total	$ 974,512

Additionally, as of January 28, 2012, we were committed to equipment leases in aggregate of $7.8 million through fiscal 2014.

Rental expense consists of the following (in thousands):

	Fiscal		
	2011	2010	2009

Minimum rentals for stores	$	130,414	$	112,872	$	97,889
Contingent rentals		18,770		24,396		23,809
Office space rentals		5,017		3,945		3,921
Distribution centers rentals		3,229		3,213		3,181
Equipment rentals		3,683		4,075		3,070

Employment Agreements — We have employment agreements with Thomas P. Johnson, our Chief Executive Officer and Michael J. Cunningham, our President. The total contractual commitment for these agreements combined is $3.9 million as of January 28, 2012.

Additionally, we have contingent bonus compensation agreements with certain of our employees. The bonuses become payable if the individual is employed by us on the future payment date. The amount of conditional bonuses that may be paid is $1.9 million during fiscal 2012 and $0.5 million during fiscal 2013.

Legal Proceedings — In October 2011, Aéropostale, Inc. and senior executive officers Thomas P. Johnson and Marc D. Miller were named as defendants in an action amended in February 2012, *City of Providence* v. *Aéropostale, Inc., et al.*, No. 11-7132, a class action lawsuit alleging violations of the federal securities laws. The lawsuit was filed in New York federal court on behalf of purchasers of Aéropostale securities between March 11, 2011 and August 18, 2011. The lawsuit alleges that the defendants made materially false and misleading statements regarding the Company's business and prospects and failed to disclose that Aéropostale was experiencing declining demand for its women's fashion division and increasing inventory. All defendants moved to dismiss this action on March 12, 2012. In the opinion of management, disposition of this matter is not expected to have a material effect on the Company's financial positions, results of operations or cash flows. We are vigorously defending this matter.

Also in October 2011, Aéropostale directors and/or senior executive officers Julian R. Geiger, Ronald R. Beegle, Robert B. Chavez, Michael J. Cunningham, Evelyn Dilsaver, John Haugh, Karin Hirtler-Garvey, John D. Howard, Thomas P. Johnson, and David B. Vermylen were named as defendants in *Bell* v. *Geiger, et al.*, No. 652931/2011, a shareholder lawsuit filed in New York state court seeking relief derivatively on behalf of Aéropostale. The action alleges that the defendants breached their fiduciary duties to Aéropostale between February 3, 2011 and August 3, 2011 by failing to establish and maintain internal controls that would have prevented the Company from disseminating allegedly false and misleading and inaccurate statements and other information to shareholders, and to manage and oversee the Company. As a result, plaintiff alleges that the defendants exposed the Company to potential liability in the federal securities class action lawsuit described above. A motion to dismiss this action was filed on December 16, 2011.

In January 2012, Sajid Karsan, who identifies himself as a stockholder of Aéropostale, demanded that the Aéropostale Board of Directors conduct a thorough investigation concerning possible claims for breach of fiduciary duty, insider trading, abuse of control, gross mismanagement, and unjust enrichment against the following directors and officers: Thomas P. Johnson, Marc D. Miller, Julian R. Geiger, Ronald R. Beegle, Robert B. Chavez, Michael J. Cunningham, Evelyn Dilsaver, John Haugh, Karin Hirtler-Garvey, John D. Howard, David B. Vermylen, Ross Citta, Mindy Meads, Mary Pile, Barbara Pindar, and Edward Slezak. Karsan demanded that this investigation be conducted by unbiased and disinterested individuals, that the results of the investigation be made available, that persons involved in the investigation be identified, and that a lawsuit be filed on behalf of Aéropostale against each of the named individuals, if warranted.

In February 2012, current and former Aéropostale directors and/or senior executive officers Mindy Meads, Bodil Arlander, Julian Geiger, Karin Hirtler-Garvey, Ronald Beegle, Robert Chavez, Michael Cunningham, Evelyn Dilsaver, John Haugh, John Howard, Thomas Johnson, Arthur Rubinfeld, and David Vermylen were named as defendants in *The Booth Family Trust v. Meads, et al.*, No. 650594/2012, a shareholder lawsuit filed in New York state court, seeking relief derivatively on behalf of Aéropostale. As in *Bell*, this action alleges that the defendants breached their fiduciary duties to Aéropostale by failing to establish and maintain internal controls that would have prevented the Company from disseminating allegedly false and misleading and inaccurate statements and other information to shareholders, and to manage and oversee the Company. As a result, and as in *Bell*, plaintiff alleges that the defendants have exposed the Company to losses and damages, including civil liability from the securities class action suit described above.

We are also party to various litigation matters and proceedings in the ordinary course of business. In the opinion of our management, dispositions of these matters are not expected to have a material effect on our financial position, results of operations or cash flows.

Guarantees — In August 2011, we entered into a new three-year sourcing agreement with one of our sourcing agents. The sourcing agreement may be terminated at any time during the term by mutual agreement of the parties and provided that appropriate notice is given in accordance with the agreement. In connection with the sourcing agreement, we have a guaranteed minimum product purchase commitment of $350.0 million that is measured over any consecutive two-year period during the term of the agreement. If we purchase less than this amount over the two-year measurement period, then we will be obligated to pay the contracted commission on the shortfall from the guaranteed minimum. As of January 28, 2012, we expect to meet our minimum product purchase commitment. In addition, if we were to cancel purchase orders with this sourcing agent, we may have to reimburse the agent for costs and expenses, if any, that it had incurred. We had not issued any other third party guarantees or commercial commitments as of January 28, 2012.

12. Selected Quarterly Financial Data (Unaudited)

The following table sets forth certain unaudited quarterly financial information (in thousands, except per share amounts):

	13 Weeks Ended			
	April 30, 2011	July 30, 2011	October 29, 2011	January 28, 2012
Fiscal 2011				
Net sales	$ 469,183	$ 468,191	$ 596,506	$ 808,380
Gross profit (1)	136,658	114,035	161,521	196,130
Net income	16,367	2,941	24,108	26,099
Basic earnings per share	0.20	0.04	0.30	0.32
Diluted earnings per share	0.20	0.04	0.30	0.32

	13 Weeks Ended			
	May 1, 2010	July 31, 2010	October 30, 2010 (2)	January 29, 2011
Fiscal 2010				
Net sales	$ 463,641	$ 494,706	$ 602,756	$ 839,331
Gross profit	182,819	184,630	220,587	298,126
Net income	45,384	43,600	58,535	83,820
Basic earnings per share (3)	0.48	0.47	0.64	0.96
Diluted earnings per share (3)	0.48	0.46	0.63	0.95

(1) Cost of sales and gross profit reflect asset impairment charges recorded during the fourth quarter of fiscal 2011 of $14.8 million ($9.1 million after tax, or $0.11 per diluted share) and $1.2 million ($0.8 million after tax, or $0.01 per diluted share) in the third quarter of fiscal 2011. During the second quarter of fiscal 2011, we recorded a benefit in cost of sales of $8.7 million ($5.3 million after tax, or $0.06 per diluted share), resulting from the resolution of a dispute with one of our sourcing agents, related to prior period allowances.

(2) Net income and earnings per share include a charge of $6.4 million ($3.9 million after tax, or $0.04 per diluted share) resulting from a retirement plan settlement payment that was recorded during the third quarter of fiscal 2010.

(3) In March 2010, we completed a three-for-two stock split on all shares of our common stock. All share and per share amounts presented in the consolidated financial statements were retroactively adjusted for the common stock split, as were all previously reported periods contained herein.

Item 9. *Changes in and Disagreements with Accountant on Accounting and Financial Disclosure*

None

Item 9A. *Controls and Procedures*

Management's Report On Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Our internal control over financial reporting is a process designed to provide reasonable assurance to our management and board of directors regarding reliability of financial reporting and the preparation and fair presentation of published financial statements in accordance with generally accepted accounting principles.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in condition, or that the degree of compliance with policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of January 28, 2012. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control — Integrated Framework.* Based on that assessment, our management believes that, as of January 28, 2012, our internal control over financial reporting is effective.

Evaluation of Disclosure Controls and Procedures

Pursuant to Rule 13a-15(b) under the Exchange Act, our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer along with our Senior Vice President and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls (as defined in Rule 13a-15(e) of the Exchange Act) and procedures. Based upon that evaluation, our Chief Executive Officer along with our Senior Vice President and Chief Financial Officer concluded that as of the end of our fiscal year ended January 28, 2012, our disclosure controls and procedures are effective.

Changes in Internal Controls over Financial Reporting

There have been no changes in our internal controls or in other factors during our fourth fiscal quarter that materially affected, or are reasonably likely to materially affect our internal controls over financial reporting.

Item 9B. *Other Information*

None

PART III

Item 10. *Directors, Executive Officers and Corporate Governance*

Information with respect to this item is incorporated by reference from our definitive Proxy Statement to be filed with the SEC not later than 120 days after the end of our fiscal year.

Item 11. *Executive Compensation*

Information with respect to this item is incorporated by reference from our definitive Proxy Statement to be filed with the SEC not later than 120 days after the end of our fiscal year.

Item 12. *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*

Equity Compensation Plan Information

The following table provides certain information, as of January 28, 2012, about our common stock that may be issued upon the exercise of options, warrants and rights, as well as the issuance of restricted shares granted to employees, consultants or members of our Board of Directors, under our two existing equity compensation plans, the Aéropostale, Inc. 1998 Stock Option Plan and the Aéropostale, Inc. 2002 Long-Term Incentive Plan.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity compensation plans approved by security holders	1,939,215	$ 18.76	3,668,903
Equity compensation plans not approved by security holders	—	—	—
Total	1,939,215	$ 18.76	3,668,903

Item 13. ***Certain Relationships and Related Transactions, and Director Independence***

Information with respect to this item is incorporated by reference from our definitive Proxy Statement to be filed with the SEC not later than 120 days after the end of our fiscal year.

Item 14. ***Principal Accountant Fees and Services***

Information with respect to this item is incorporated by reference from our definitive Proxy Statement to be filed with the SEC not later than 120 days after the end of our fiscal year.

PART IV

Item 15. ***Exhibits and Financial Statement Schedules***

(a) 1. The financial statements listed in the “Index to Consolidated Financial Statements” at page 28 are filed as a part of this Annual Report on Form 10-K
2. Financial Statement Schedule
Schedule II: Valuation and Qualifying Accounts

Other financial statement schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto
3. Exhibits included or incorporated herein:
See Exhibit Index

EXHIBIT INDEX

Exhibit No.	Description
3.1	Form of Amended and Restated Certificate of Incorporation.(1)
3.2	Form of Amended and Restated By-Laws. (2)
4.1	Specimen Common Stock Certificate. (1)
10.1	Aéropostale, Inc. Amended and Restated 1998 Stock Option Plan. (3)**
10.2	Aéropostale, Inc. Amended and Restated 2002 Long-Term Incentive Plan. (3)**
10.7	Third Amended and Restated Loan and Security Agreement, dated September 22, 2011, by and between Bank of America, N.A. and Aéropostale, Inc.(4)
10.8	Collared Forward Repurchase Agreement, dated November 12, 2007, by and between Bank of America, N.A. and Aéropostale, Inc.(4)
10.13	Employment Agreement, dated March 7, 2011 and effective on December 1 2010, between Aéropostale, Inc. and Thomas P. Johnson.(5)**
10.14	Employment Agreement, dated March 7, 2011 and effective on December 1, 2010, between Aéropostale, Inc. and Michael J. Cunningham. (5)**
21	Subsidiaries of the Company.*
23.1	Consent of Deloitte & Touche LLP.*
31.1	Certification by Thomas P. Johnson, Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by Marc D. Miller, Senior Vice President and Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification by Thomas P. Johnson, Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.***
32.2	Certification by Marc D. Miller pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.***
101.INS	XBRL Instance Document.*
101.SCH	XBRL Taxonomy Extension Schema.*
101.CAL	XBRL Taxonomy Extension Calculation Linkbase.*
101.DEF	XBRL Taxonomy Extension Definition Linkbase.*
101.LAB	XBRL Taxonomy Extension Label Linkbase.*
101.PRE	XBRL Taxonomy Extension Presentation Linkbase.*

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* Filed herewith.
** Management contract or compensatory plan.
*** Furnished, not filed.

(1) Incorporated by reference to the Registration Statement on Form S-1, as amended, originally filed by Aéropostale, Inc. on March 8, 2002 (Registration No. 333-84056).

(2) Incorporated by reference to the Registrant's Current Report on Form 8-K, dated March 15, 2010 (File No. 001-31314).

(3) Incorporated by reference to the Registrant's Proxy Statement, dated May 6, 2011 (File No. 001-31314).

(4) Incorporated by reference to the Registrant's Current Report on Form 8-K, dated September 28, 2011 (File No. 001-31314).

(5) Incorporated by reference to the Registrant's Current Report on Form 8-K, dated March 11, 2011 (File No. 001-31314).

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

AÉROPOSTALE, INC.

By: /s/ THOMAS P. JOHNSON
Thomas P. Johnson
Chief Executive Officer and Director

Date: March 28, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons, on behalf of the Registrant, and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ THOMAS P. JOHNSON Thomas P. Johnson	Chief Executive Officer and Director (Principal Executive Officer)	March 28, 2012
/s/ MARC D. MILLER Marc D. Miller	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	March 28, 2012
/s/ ROSS A. CITTA Ross A. Citta	Group Vice President and Chief Accounting Officer (Principal Accounting Officer)	March 28, 2012
/s/ KARIN HIRTLER-GARVEY Karin Hirtler-Garvey	Chairman of the Board of Directors	March 28, 2012
/s/ RONALD R. BEEGLE Ronald R. Beegle	Director	March 28, 2012
/s/ ROBERT B. CHAVEZ Robert B. Chavez	Director	March 28, 2012
/s/ MICHAEL J. CUNNINGHAM Michael J. Cunningham	President and Director	March 28, 2012
/s/ EVELYN DILSAVER Evelyn Dilsaver	Director	March 28, 2012
/s/ JANET E. GROVE Janet E. Grove	Director	March 28, 2012
/s/ JOHN N. HAUGH John N. Haugh	Director	March 28, 2012

/s/ JOHN D. HOWARD John D. Howard	Director	March 28, 2012
/s/ ARTHUR RUBINFELD Arthur Rubinfeld	Director	March 28, 2012
/s/ DAVID B. VERMYLEN David B. Vermylen	Director	March 28, 2012

AÉROPOSTALE, INC.
SCHEDULE II
VALUATION AND QUALIFYING ACCOUNTS

Reserve for Sales Returns:	Balance Beginning of Period	Amounts Charged to Net Income	Write-offs Against Reserve	Balance End of Period
		(In thousands)		
Year Ended January 28, 2012	$ 725	$ 662	$ 711	$ 676
Year Ended January 29, 2011	$ 892	$ 526	$ 693	$ 725
Year Ended January 30, 2010	$ 852	$ 802	$ 762	$ 892

Valuation Allowance for State Deferred Tax Assets:	Balance Beginning of Period	Amounts Charged to Net Income	Write-offs Against Reserve	Balance End of Period
		(In thousands)		
Year Ended January 28, 2012	$ 196	$ 1,216	$ —	$ 1,412
Year Ended January 29, 2011	$ 281	$ 12	$ 97	$ 196
Year Ended January 30, 2010	$ 551	$ (270)	$ —	$ 281

Exhibit 21

AÉROPOSTALE, INC.
SUBSIDIARIES OF REGISTRANT
AS OF JANUARY 28, 2012

Name of Subsidiary	Place of Incorporation or Formation
Aéropostale West, Inc.	Delaware
Jimmy'Z Surf Co., Inc.	Delaware
Aéropostale Canada, Inc.	Canada
Aero GC Management LLC	Virginia
Aéropostale Puerto Rico, Inc.	Puerto Rico
P.S. from Aéropostale, Inc.	Delaware
Aéropostale Licensing, Inc.	Delaware
Aéropostale Procurement Company, Inc.	Delaware

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-91700 on Form S-8 of our report dated March 28, 2012, relating to the consolidated financial statements and financial statement schedule of Aéropostale, Inc. and subsidiaries (the “Company”), and of our report dated March 28, 2012, relating to the effectiveness of the Company’s internal control over financial reporting, appearing in this Annual Report on Form 10-K of Aéropostale, Inc. and subsidiaries for the year ended January 28, 2012.

/s/ Deloitte and Touche LLP

New York, New York

March 28, 2012

Exhibit 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Thomas P. Johnson, certify that:

1. I have reviewed this report on Form 10-K of Aéropostale, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation on internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

/s/ THOMAS P. JOHNSON
Thomas P. Johnson
Chief Executive Officer
(Principal Executive Officer)

Date: March 28, 2012

Exhibit 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Marc D. Miller, certify that:

1. I have reviewed this report on Form 10-K of Aéropostale, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation on internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

/s/ MARC D. MILLER
Marc D. Miller
Senior Vice President — Chief Financial Officer
(Principal Financial Officer)

Date: March 28, 2012

Exhibit 32.1

CERTIFICATE OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. 1350)

The undersigned, Thomas P. Johnson, has executed this certificate in connection with the filing with the Securities and Exchange Commission of the Company's Annual Report on Form 10-K for the period ended January 28, 2012, (the "Report").

The undersigned hereby certifies that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"); and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

IN WITNESS WHEREOF, the undersigned has executed this certification as of the 28th day of March, 2012.

/s/ THOMAS P. JOHNSON
Thomas P. Johnson
Chief Executive Officer
(Principal Executive Officer)

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Exchange Act. A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATE OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. 1350)

The undersigned, Marc D. Miller, has executed this certificate in connection with the filing with the Securities and Exchange Commission of the Company's Annual Report on Form 10-K for the period ended January 28, 2012 (the "Report").

The undersigned hereby certifies that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"); and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

IN WITNESS WHEREOF, the undersigned has executed this certification as of the 28th day of March, 2012.

/s/ MARC D. MILLER
Marc D. Miller
Senior Vice President — Chief Financial Officer
(Principal Financial Officer)

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Exchange Act. A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Revolving Credit Facility (Details) (Bank of America Credit Facility [Member], USD $) In Millions, unless otherwise specified	12 Months Ended
	Jan. 28, 2012
Bank of America Credit Facility [Member]	
Line of Credit Facility [Line Items]	
Maximum borrowing capacity on revolving credit line	$ 175.0
Expiration date	2016-09-22
Credit facility borrowing capacity, before amendment	$ 150.0
Minimum percentage of borrowing base available before triggering Cash Dominion Event (in hundredths)	12.50%
Financial covenants	Upon the occurrence of our loan availability under the Credit Facility decreasing below 10% of the lesser of the borrowing base and the dollar amount of commitments under the Credit Facility, we would be required to meet a financial covenant for a Minimum Consolidated Fixed Charge Coverage Ratio of not less than 1.0 to 1.0.

SCHEDULE II- VALUATION AND QUALIFYING ACCOUNTS (Details) (USD $) In Thousands, unless otherwise specified	12 Months Ended		
	Jan. 28, 2012	Jan. 29, 2011	Jan. 30, 2010
Reserves for Sales Returns [Member]			
Valuation and qualifying accounts [Roll Forward]			
Balance Beginning of Period	$ 725	$ 892	$ 852
Amounts Charged to Net Income	662	526	802
Write-offs Against Reserve	711	693	762
Balance End of Period	676	725	892
Valuation Allowance for State Deferred Tax Assets [Member]			
Valuation and qualifying accounts [Roll Forward]			
Balance Beginning of Period	196	281	551
Amounts Charged to Net Income	1,216	12	(270)
Write-offs Against Reserve	0	97	0
Balance End of Period	$ 1,412	$ 196	$ 281

Selected Quarterly Financial Data (Unaudited) (Tables)	12 Months Ended Jan. 28, 2012
Selected Quarterly Financial Data (Unaudited) [Abstract]	
Schedule of Quarterly Financial Information	The following table sets forth certain unaudited quarterly financial information (in thousands, except per share amounts):

	13 Weeks Ended			
	April 30, 2011	**July 30, 2011**	**October 29, 2011**	**January 28, 2012**
Fiscal 2011				
Net sales	$ 469,183	$468,191	$ 596,506	$ 808,380
Gross profit (1)	136,658	114,035	161,521	196,130
Net income	16,367	2,941	24,108	26,099
Basic earnings per share	0.20	0.04	0.30	0.32
Diluted earnings per share	0.20	0.04	0.30	0.32

	13 Weeks Ended			
	May 1, 2010	**July 31, 2010**	**October 30, 2010 (2)**	**January 29, 2011**
Fiscal 2010				
Net sales	$463,641	$494,706	$ 602,756	$ 839,331
Gross profit	182,819	184,630	220,587	298,126
Net income	45,384	43,600	58,535	83,820
Basic earnings per share (3)	0.48	0.47	0.64	0.96
Diluted earnings per share (3)	0.48	0.46	0.63	0.95

(1) Cost of sales and gross profit reflect asset impairment charges recorded during the fourth quarter of fiscal 2011 of $14.8 million ($9.1 million after tax, or $0.11 per diluted share) and $1.2 million ($0.8 million after tax, or $0.01 per diluted share) in the third quarter of fiscal 2011. During the second quarter of fiscal 2011, we recorded a benefit in cost of sales of $8.7 million ($5.3 million after tax, or $0.06 per diluted share), resulting from the resolution of a dispute with one of our sourcing agents, related to prior period allowances.

(2) Net income and earnings per share include a charge of $6.4 million ($3.9 million after tax, or $0.04 per diluted share) resulting from a retirement plan settlement payment that was recorded during the third quarter of fiscal 2010.

(3) In March 2010, we completed a three-for-two stock split on all shares of our common stock. All share and per share amounts presented in the consolidated financial statements were retroactively adjusted for the common stock split, as were all previously reported periods contained herein.

Stockholders' Equity (Tables)	12 Months Ended Jan. 28, 2012
Stockholders' Equity [Abstract]	
Components of accumulated other comprehensive income (loss)	The following table sets forth the components of accumulated other comprehensive loss (in thousands):

	January 28, 2012	January 29, 2011
Pension liability, net of tax	$ (3,358)	$ (2,823)
Cumulative foreign currency translation adjustment[1]	2,519	2,380
Total accumulated other comprehensive loss	$ (839)	$ (443)

[1] Foreign currency translation adjustments are not adjusted for income taxes as they relate to a permanent investment in our subsidiary in Canada.

Retirement Benefit Plans (Details) (USD $)	3 Months Ended	12 Months Ended		
	Oct. 30, 2010	Jan. 28, 2012	Jan. 29, 2011	Jan. 30, 2010
Retirement Benefit Plan Liabilities [Abstract]				
Total retirement benefit plan liabilities		$ 13,696,000	$ 12,156,000	
Current liabilities		0	1,327,000	
Long-term retirement benefit plan liabilities		13,696,000	10,829,000	
Percentage of employee gross earnings that may be contributed to plan, maximum (in hundredths)		100.00%		
Employer matching contribution (in hundredths)		50.00%		
Percentage of employee gross earnings that employer will provide a match for, maximum (in hundredths)		5.00%		
Vesting period of matching contribution, maximum (in years)		5Y		
Vesting percentage after two years (in hundredths)		20.00%		
Vesting percentage after year three (in hundredths)		50.00%		
Percentage of vesting increase per year thereafter until fully vested (in hundredths)		25.00%		
Contribution expense		1,300,000	1,100,000	1,100,000
Deferred Compensation Arrangement with Individual, Postretirement Benefits [Line Items]				
Estimated future contributions for fiscal 2012 through fiscal 2021		We do not expect to contribute to the SERP and expect to contribute less than 100,000 to the postretirement benefit plan for fiscal 2012 through fiscal 2021.		
Long-term Incentive Deferred Compensation Plan [Member]				
Deferred Compensation Arrangement with Individual, Postretirement Benefits [Line Items]				

Vesting period for incentive deferred compensation plan (in years)	3Y		
Period of service in which participants become fully vested upon retirement (in years)	5Y		
Minimum age of participant becoming fully vested (in years)	55Y		
Supplemental Executive Retirement Plan [Member]			
Retirement Benefit Plan Liabilities [Abstract]			
Total retirement benefit plan liabilities	11,601,000	9,597,000	
Change In Benefit Obligation [Roll Forward]			
Benefit obligation at beginning of period	9,597,000	25,282,000	
Service cost	584,000	884,000	686,000
Interest cost	497,000	957,000	1,514,000
Plan amendments	0	0	
Net actuarial loss	2,298,000	106,000	1,858,000
Benefits paid	0	0	
Settlements	(1,375,000)	(17,632,000)	
Special termination benefits	0	0	
Benefit obligation at end of period	11,601,000	9,597,000	25,282,000
Change In Plan Assets [Roll Forward]			
Fair value of plan assets at beginning of period	0	0	
Actual return on plan assets	0	0	
Employer contributions	1,375,000	17,632,000	
Benefits paid	(1,375,000)	(17,632,000)	
Settlements	0	0	
Fair value of plan assets at end of period	0	0	0
Funded status at end of period	(11,601,000)	(9,597,000)	
Amounts Recognized In The Statement Of Financial Position [Abstract]			
Noncurrent assets	0	0	
Current liabilities	0	(1,327,000)	
Noncurrent liabilities	(11,601,000)	(8,270,000)	
Total amounts recognized in the statement of financial position	(11,601,000)	(9,597,000)	

Amounts Recognized In Accumulated Other Comprehensive Loss [Abstract]			
Net loss	4,687,000	3,098,000	
Prior service cost	611,000	685,000	
Total amounts recognized in accumulated other comprehensive income	5,298,000	3,783,000	
Information For Pension Plans With An Accumulated Benefit Obligation In Excess Of Plan Assets [Abstract]			
Projected benefit obligation	11,601,000	9,597,000	
Accumulated benefit obligation	6,280,000	5,331,000	
Fair value of plan assets	0	0	
Components Of Net Periodic Benefit Cost [Abstract]			
Service cost	584,000	884,000	686,000
Interest cost	497,000	957,000	1,514,000
Expected return on plan assets	0	0	0
Amortization of prior service cost	74,000	74,000	74,000
Amortization of net loss	208,000	556,000	628,000
Net periodic benefit cost	1,363,000	2,471,000	2,902,000
Settlement loss	501,000	6,789,000	0
Total benefit cost	1,864,000	9,260,000	2,902,000
Other Changes In Plan Assets and Benefit Obligations Recognized In Other Comprehensive Loss [Abstract]			
Net actuarial loss	2,298,000	106,000	1,858,000
Prior service cost	0	0	0
Amortization of net loss	(208,000)	(556,000)	(628,000)
Amortization of prior service cost	(74,000)	(74,000)	(74,000)
Settlement loss	(501,000)	(6,789,000)	0
Total recognized in other comprehensive loss	1,515,000	(7,313,000)	1,156,000
Total recognized in net periodic benefit cost and other comprehensive loss	3,379,000	1,947,000	4,058,000
Weighted Average Assumptions Used [Abstract]			
Discount rate to determine benefit obligations (in hundredths)	3.95%	5.50%	5.60%
Discount rate to determine net periodic pension cost (in hundredths)	5.13%	5.38%	6.75%

Rate of compensation increase (in hundredths)		4.50% [1]	4.50% [1]	4.50% [1]
Estimated net loss for the defined benefit plan that will be amortized from accumulated other comprehensive loss into net periodic benefit cost over the next fiscal year		278,000		
Prior service cost for the defined benefit pension plan that will be amortized from accumulated other comprehensive loss into net periodic benefit cost over the next fiscal year		74,000		
Payment on behalf of individual to defined benefit plan	16,700,000			
Settlement loss related to payment under supplemental executive retirement plan recorded in selling, general and administrative expense	6,400,000			
Other Postretirement Benefit Plans, Defined Benefit [Member]				
Retirement Benefit Plan Liabilities [Abstract]				
Total retirement benefit plan liabilities		$ 2,095,000	$ 2,559,000	

[1] Rate of compensation is used for determining the benefit obligation and net periodic cost.

Fixtures, Equipment and Improvements (Details) (USD $) In Thousands, unless otherwise specified	12 Months Ended		
	Jan. 28, 2012	Jan. 29, 2011	Jan. 30, 2010
Property, Plant and Equipment [Line Items]			
Fixtures, equipment and improvements, gross	$ 602,338	$ 548,509	
Less accumulated depreciation and amortization	314,945	249,267	
Fixtures, equipment and improvements, net	287,393	299,242	
Depreciation and amortization expense	65,113	58,045	49,863
Leasehold Improvements [Member]			
Property, Plant and Equipment [Line Items]			
Fixtures, equipment and improvements, gross	351,150	321,853	
Fixtures and Equipment [Member]			
Property, Plant and Equipment [Line Items]			
Fixtures, equipment and improvements, gross	148,709	134,787	
Computer Equipment and Software [Member]			
Property, Plant and Equipment [Line Items]			
Fixtures, equipment and improvements, gross	101,082	86,687	
Construction in Progress [Member]			
Property, Plant and Equipment [Line Items]			
Fixtures, equipment and improvements, gross	$ 1,397	$ 5,182	

Summary of Significant Accounting Policies	12 Months Ended Jan. 28, 2012
Summary of Significant Accounting Policies [Abstract]	
Summary of Significant Accounting Policies	(see below)

1. Summary of Significant Accounting Policies

Organization

References to the "Company," "we," "us," or "our" means Aéropostale, Inc. and its subsidiaries, except as expressly indicated or unless the context otherwise requires. We are a primarily mall-based, specialty retailer of casual apparel and accessories, principally targeting 14 to 17 year-old young women and men through our Aéropostale stores and 4 to 12 year-old kids through our P.S. from Aéropostale stores. As of January 28, 2012, we operated 986 Aéropostale stores, consisting of 918 stores in 50 states and Puerto Rico, 68 stores in Canada, as well as 71 P.S. from Aéropostale stores in 20 states. In addition, pursuant to various licensing agreements, our licensees operated 14 Aéropostale and P.S. from Aéropostale stores in Middle East and South East Asia. These licensees are expected to continue opening new stores in these regions. Also during 2011, we signed another licensing agreement, pursuant to which the licensee is expected to open approximately 30 stores in Turkey over the next five years.

Basis of Consolidation and Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S."). The consolidated financial statements include the accounts of Aéropostale, Inc. and its subsidiaries. All inter-company accounts and transactions have been eliminated in consolidation.

Fiscal Year

Our fiscal year ends on the Saturday nearest to January 31. The 2011 fiscal year ended January 28, 2012, the 2010 fiscal year ended January 29, 2011, and the 2009 fiscal year ended January 30, 2010 were 52 week periods. The 2012 fiscal year ending February 2, 2013 will be a 53 week period.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. Actual results could differ materially from those estimated.

The most significant estimates made by management include those made in the areas of merchandise inventory valuation, the supplemental executive retirement plan, impairment analysis of long-lived assets, and income taxes. Management periodically evaluates estimates used in the preparation of the consolidated financial statements for continued reasonableness. Appropriate adjustments, if any, to the estimates used are made prospectively based on such periodic evaluations.

Concentration of Credit Risk

Financial instruments that potentially subject us to concentrations of credit risk consist of cash and cash equivalents. We invest our excess cash in demand deposits and money market funds that are classified as cash equivalents. We have established guidelines that relate to credit quality, diversification and maturity and that limit exposure to any one issuer of securities.

During fiscal 2011 and 2010, we sourced approximately 87% and 85%, respectively, of our merchandise from our top five merchandise vendors. The loss of any of these sources could adversely impact our ability to operate our business.

Seasonality

Our business is highly seasonal, and historically we have realized a significant portion of our sales, net income, and cash flow in the second half of the fiscal year, attributable to the impact of the back-to-school selling season in the third quarter and the holiday selling season in the fourth quarter. Additionally, working capital requirements fluctuate during the year, increasing in mid-summer in anticipation of the third and fourth quarters.

Translation of Foreign Currency Financial Statements and Foreign Currency Transactions

The financial statements of our Canadian subsidiary have been translated into United States dollars by translating balance sheet accounts at the year-end exchange rate and statement of income accounts at the average exchange rates for the year. Foreign currency translation gains and losses are reflected in the equity section of our consolidated balance sheet in accumulated other comprehensive loss and are not adjusted for income taxes as they relate to a permanent investment in our subsidiary in Canada. The balance of the unrealized foreign currency translation adjustment included in accumulated other comprehensive loss was income of $2.5 million as of January 28, 2012 compared to income of $2.4 million as of January 29, 2011. Foreign currency transaction gains and losses are charged or credited to earnings as incurred.

Cash Equivalents

We include credit card receivables and all short-term investments that qualify as cash equivalents with an original maturity of three months or less in cash and cash equivalents.

Fair Value Measurements

We follow the guidance in Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 820, “Fair Value Measurement Disclosures” (“ASC 820”) as it relates to financial and nonfinancial assets and liabilities. We currently have no financial assets or liabilities that are measured at fair value. Our non-financial assets, which include fixtures, equipment and improvements, are not required to be measured at fair value on a recurring basis. However, if certain triggering events occur, or if an impairment test is required and we are required to evaluate the non-financial asset for impairment, a resulting asset impairment would require that the non-financial asset be recorded at fair value. ASC 820 prioritizes inputs used in measuring fair value into a hierarchy of three levels: Level 1-quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2-inputs other than quoted prices included within Level 1 that are either directly or indirectly observable; and Level 3-unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

The fair value of cash and cash equivalents, receivables (included in other current assets), and accounts payable approximates their carrying value due to their short-term maturities.

Merchandise Inventory

Merchandise inventory consists of finished goods and is valued utilizing the cost method at the lower of cost or market determined on a weighted average basis. Merchandise inventory includes warehousing, freight, merchandise and design costs as an inventory product cost. We make certain assumptions regarding future demand and net realizable selling price in order to assess that our inventory is recorded properly at the lower of cost or market. These assumptions are based on both historical experience and current information. We recorded adjustments to reduce the carrying value of inventory and increase cost of sales for lower of cost or market of $14.8 million as of January 28, 2012 and $12.0 million as of January 29, 2011.

Vendor Rebates

We receive vendor rebates from certain merchandise suppliers. The vendor rebates are earned as we receive merchandise from the suppliers and are computed at an agreed upon percentage of the purchase amount. Vendor rebates are recorded as a reduction of merchandise inventory, and are then recognized as a reduction of cost of sales when the related inventory is sold. Vendor rebates recorded as a reduction of the carrying value of merchandise inventory were $2.1 million as of January 28, 2012 and $1.8 million as of January 29, 2011. Vendor rebates recorded as a reduction of cost of sales were $13.0 million for fiscal 2011, $10.2 million for fiscal 2010, and $8.8 million for fiscal 2009.

Fixtures, Equipment and Improvements

Fixtures, equipment and improvements are stated at cost. Depreciation and amortization are provided for by the straight-line method over the following estimated useful lives:

Fixtures and equipment	10 years
Leasehold improvements	Lesser of useful lives or lease term
Computer equipment	5 years
Software	3 years

Evaluation for Long-Lived Asset Impairment

We periodically evaluate the need to recognize impairment losses relating to long-lived assets in accordance with FASB ASC Topic 360, “Property, Plant and Equipment” (“ASC 360”). Long-lived assets are evaluated for recoverability whenever events or changes in circumstances indicate that an asset may have been impaired. In evaluating an asset for recoverability, we estimate the future undiscounted cash flows expected to result from the use of the asset and its eventual disposition. If the sum of the expected future cash flows is less than the carrying amount of the asset, we write the asset down to fair value and we record impairment charges, accordingly. The estimation of fair value is measured by discounting expected future cash flows. The recoverability assessment related to store-level assets requires judgments and estimates of future revenues, gross margin rates, store expenses and the weighted average cost of capital. We base these estimates upon our past and expected future performance. We believe our estimates are appropriate in light of current market conditions. However, actual results may differ materially from those estimated which could result in additional impairments of store long-lived assets in future periods, and could have a material impact on our consolidated financial statements.

Pre-Opening Expenses

New store pre-opening costs are expensed as they are incurred.

Leases

Our store operating leases typically provide for fixed non-contingent rent escalations. Rent payments under our store leases typically commence when the store opens. These leases include a pre-opening period that allows us to take possession of the property to fixture and merchandise the store. We recognize rent expense on a straight-line basis over the non-cancelable term of each individual underlying lease, commencing when we take possession of the property (see Note 11 for a further discussion).

In addition, our store leases require us to pay additional rent based on specified percentages of sales, after we achieve specified annual sales thresholds. We use store sales trends to estimate and record liabilities for these additional rent obligations during interim periods. Most of our store leases entitle us to receive tenant allowances from our landlords. We record these tenant allowances as a deferred rent liability, which we amortize as a reduction of rent expense over the non-cancelable term of each underlying lease.

Revenue Recognition

Sales revenue is recognized at the "point of sale" in our stores, and at the time our e-commerce customers take possession of merchandise. Allowances for sales returns are recorded as a reduction of net sales in the periods in which the related sales are recognized. Also included in sales revenue is shipping revenue from our e-commerce customers. Sales tax collected from customers is excluded from revenue and is included in accrued expenses on our Consolidated Balance Sheets. Revenue from licensing arrangements is recognized when earned in accordance with the terms of the underlying agreement, generally based upon the greater of the contractually earned or guaranteed minimum royalty levels. During fiscal 2011, we launched a loyalty rewards program for our P.S. from Aéropostale stores. Accordingly, we have recorded a deferred sales liability within accrued expenses in connection with this program. The amount recorded was not material to the financial statements for any period presented.

Gift Cards

We sell gift cards to our customers in our retail stores, through our websites, and through select third parties. We do not charge administrative fees on unused gift cards and our gift cards do not have an expiration date. Revenue is not recorded on the purchase of gift cards. A current liability is recorded upon purchase, and revenue is recognized when the gift card or store credits are redeemed for merchandise. We also recognize breakage income for the portion of gift cards estimated to be unredeemed. We have relieved our legal obligation to escheat the value of unredeemed gift cards to the relevant jurisdiction. We therefore determined that the likelihood of certain gift cards being redeemed by the customer was remote, based upon historical redemption patterns of gift cards. For those gift cards that we determined redemption to be remote, we reversed our liability and recorded gift card breakage income in net sales. We recorded net sales related to gift card breakage income of $5.6 million in fiscal 2011, $5.8 million in fiscal 2010 and $4.0 million in fiscal 2009 (see Note 5).

Cost of Sales

Cost of sales includes costs related to merchandise sold, including inventory valuation adjustments, distribution and warehousing, freight from the distribution center to the stores, shipping and handling costs, payroll for our design, buying and merchandising departments, and occupancy costs. Occupancy costs include rent, contingent rent, common area maintenance, real estate taxes, utilities, repairs, maintenance, depreciation and amortization and impairment charges.

Cost of sales for fiscal 2011 includes a benefit of $8.7 million resulting from the resolution of a dispute with one of our sourcing agents, related to prior period allowances recorded in the second quarter. Of this benefit, $8.0 million relates to fiscal years 2007 through 2010 and is not material to any individual prior period.

Selling, General and Administrative Expenses

Selling, general and administrative expenses, or SG&A, include costs related to selling expenses, store management and corporate expenses such as payroll and employee benefits, marketing expenses, employment taxes, information technology maintenance costs and expenses, insurance and legal expenses, e-commerce transaction expenses , store pre-opening and other corporate level expenses. Store pre-opening expenses include store level payroll, grand opening event marketing, travel, supplies and other store pre-opening expenses.

Self-Insurance

We self-insure our workers compensation claims and our employee medical benefits. The recorded liabilities for these obligations are calculated primarily using historical experience and current information. The liabilities include amounts for actual claims and estimated claims incurred but not yet reported. Self-insurance liabilities were $4.8 million at January 28, 2012 and $5.1 million at January 29, 2011. We paid workers compensation claims of $0.8 million in fiscal 2011, $0.8 million in fiscal 2010 and $0.7 million in fiscal 2009. In addition, we paid employee medical claims of $13.8 million in fiscal 2011, $13.2 million in fiscal 2010 and $11.8 million in fiscal 2009.

Retirement Benefit Plans

Our retirement benefit plan costs are accounted for using actuarial valuations required by FASB ASC Topic 715 "Compensation – Retirement Benefits" ("ASC 715"). ASC 715 requires an entity to recognize the funded status of its defined pension plans on the balance sheet and to recognize changes in the funded status that arise during the period but are not recognized as components of net periodic benefit cost, within other comprehensive loss, net of income taxes (see Note 9 for a further discussion).

Marketing Costs

Marketing costs, which include e-commerce, print, radio and other media advertising, are expensed at the point of first broadcast or distribution, and were $11.8 million in fiscal 2011, $9.7 million in fiscal 2010, and $8.5 million in fiscal 2009.

Stock-Based Compensation

We follow the provisions from the FASB ASC Topic 718 "Compensation – Stock Compensation" ("ASC 718"). Under such guidance, all forms of share-based payment to employees and directors, including stock options, must be treated as compensation and recognized in the income statement (see Note 8 for a further discussion).

Segment Reporting

FASB ASC Topic 280, "Segment Reporting" ("ASC 280"), establishes standards for reporting information about a company's operating segments. It also establishes standards for related disclosures about products and services, geographic areas and major customers. We operate in and report as a single aggregated operating segment, which includes the operations of our Aéropostale retail stores, P.S. from Aéropostale retail stores, our Aéropostale and P.S. from Aéropostale e-commerce sites, and licensing revenue. We do not rely on any major customers as a source of revenue. Licensing revenue was less than 1% of total net sales for each period presented.

The following tables present summarized geographical information (in thousands):

	Fiscal		
	2011	**2010**	**2009**
Net sales:			
United States[1]	$2,214,176	$2,281,421	$2,141,247
Canada	128,084	119,013	88,858
Total net sales	$2,342,260	$2,400,434	$2,230,105

[1] Amounts represent sales from U.S. and Puerto Rico retail stores, as well as e-commerce sales, that are billed to and/or shipped to foreign countries and licensing revenue.

	January 28, 2012	**January 29, 2011**
Long-lived assets, net:		
United States	$ 260,112	$ 269,447
Canada	27,281	29,795
Total long-lived assets, net	$ 287,393	$ 299,242

Our consolidated net sales mix by merchandise category was as follows:

	Fiscal		
Merchandise Categories	**2011**	**2010**	**2009**

Young Women's	66%	69%	70%
Young Men's	34	31	30
Total Merchandise Sales	100%	100%	100%

Income Taxes

Income taxes are accounted for in accordance with FASB ASC Topic 740, "Income Taxes" ("ASC 740"). Under ASC 740, income taxes are recognized for the amount of taxes payable for the current year and deferred tax assets and liabilities for the future tax consequence of events that have been recognized differently in the financial statements than for tax purposes. Deferred tax assets and liabilities are established using statutory tax rates and are adjusted for tax rate changes.

ASC 740 clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements and requires companies to determine whether it is "more likely than not" that a tax position will be sustained upon examination by the appropriate taxing authorities before any part of the benefit can be recorded in the financial statements. For those tax positions where it is not "more likely than not" that a tax benefit will be sustained, no tax benefit is recognized. Where applicable, associated interest and penalties are also recorded. Interest and penalties, if any, are recorded within the provision for income taxes in our Consolidated Statements of Income and are classified on the Consolidated Balance Sheets with the related liability for uncertain tax contingency liabilities.

A valuation allowance against our deferred tax assets is recorded when it is more likely than not that some portion or all of the deferred tax assets will not be realized. In determining the need for a valuation allowance, management is required to make assumptions and to apply judgment, including forecasting future earnings, taxable income, and the mix of earnings in the jurisdictions in which we operate. Management assesses the need for a valuation allowance based on our current and anticipated results of operations. The need for and the amount of valuation allowances can change in future periods if operating results and projections change significantly.

Reclassifications

Certain reclassifications to the long-term liabilities in the Consolidated Balance Sheet were made to prior year amounts to conform to the current period presentation. In addition, certain reclassifications to separately present of asset impairment charges in the Consolidated Statements of Cash Flows were made to conform to the current period presentation.

Recent Accounting Developments

In December 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2011-12, "Comprehensive Income (Topic 220): Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05." ASU 2011-12 defers the specific requirement to present items that are reclassified from accumulated other comprehensive income to net income separately with their respective components of net income and other comprehensive income. ASU 2011-12 did not defer the requirement to report comprehensive income either in a single continuous statement or in two separate but consecutive financial statements. The amendments are effective at the same time as the amendments in ASU 2011-05.

In June 2011, the FASB issued ASU 2011-05, "Comprehensive Income (Topic 220): Presentation of Comprehensive Income." ASU 2011-05 eliminates the option that permits the presentation of other comprehensive income in the statement of changes in equity and requires presenting components of net income and comprehensive income in either a one-statement approach with totals for both net income and comprehensive income, or a two-statement approach where a statement presenting the components of net income and total net income must be immediately followed by a financial statement that presents the components of other comprehensive income, a total for other comprehensive income, and a total for comprehensive income. The guidance provided in ASU No. 2011-05 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2011 and should be applied retrospectively. We do not expect the adoption of this ASU to have a material impact on our consolidated financial statements.

Income Taxes (Details) (USD $)	12 Months Ended		
	Jan. 28, 2012	Jan. 29, 2011	Jan. 30, 2010
Domestic and Foreign Pretax Income [Abstract]			
Domestic	$ 121,799,000	$ 375,364,000	$ 376,773,000
Foreign	(8,701,000)	11,312,000	6,033,000
Income before income taxes	113,098,000	386,676,000	382,806,000
Current [Abstract]			
Federal	28,543,000	105,768,000	127,119,000
State and local	4,604,000	26,814,000	28,865,000
Foreign	757,000	3,932,000	1,535,000
Total current	33,904,000	136,514,000	157,519,000
Deferred [Abstract]			
Federal	9,622,000	18,945,000	(3,204,000)
State and local	2,782,000	(229,000)	(1,479,000)
Foreign	(2,725,000)	107,000	513,000
Total deferred	9,679,000	18,823,000	(4,170,000)
Total	43,583,000	155,337,000	153,349,000
Federal statutory rate (in hundredths)	35.00%	35.00%	35.00%
State income taxes, net of federal tax benefit, before valuation allowance (in hundredths)	3.90%	4.60%	4.60%
State income tax valuation allowance (in hundredths)	1.20%	0.00%	(0.10%)
Other (in hundredths)	(1.60%)	0.60%	0.60%
Effective rate (in hundredths)	38.50%	40.20%	40.10%
Current [Abstract]			
Inventory	(786,000)	2,308,000	
Unredeemed gift cards	2,040,000	1,637,000	
Accrued compensation	3,377,000	7,189,000	
Retirement benefit plan liabilities	0	599,000	
Net operating loss carry-back	1,803,000	0	
Other	972,000	1,853,000	
Net current deferred tax assets	7,406,000	13,586,000	
Non-current [Abstract]			
Furniture, equipment and improvements	(34,636,000)	(26,748,000)	
Retirement benefit plan liabilities	5,372,000	4,194,000	
Stock-based compensation	7,347,000	8,236,000	
Deferred rent and tenant allowances	7,673,000	3,075,000	
Net operating loss carry-forwards (NOL's)	3,248,000	2,623,000	
Valuation allowances for NOL's	(1,248,000)	(196,000)	
Other	1,789,000	1,450,000	
Net non-current deferred tax liabilities	(10,455,000)	(7,366,000)	
Net deferred income tax (liabilities) assets	(3,049,000)	6,220,000	
Net operating loss from certain states and Canada	87,200,000		

Deferred tax assets for net operating losses, total	5,100,000		
Valuation allowance	1,400,000		
Uncertain tax position liabilities, inclusive of interest and penalty, total	3,900,000	4,300,000	4,900,000
Amount the liability for unrecognized tax benefits and related deferred tax assets will decrease during the next twelve months	800,000		
Portion of gross unrecognized tax benefits that would affect its effective tax rate, including interest and penalties	3,900,000		
Interests and penalties expense related to uncertain tax positions	0	(500,000)	900,000
Accrued interests and penalties related to uncertain tax positions	1,100,000	1,100,000	
Unrecognized Tax Benefits [Roll Forward]			
Balance beginning	3,228,000	3,284,000	1,937,000
Increases due to tax positions related to prior years	165,000	1,317,000	1,312,000
Increases due to tax positions related to current year		131,000	139,000
Decreases due to tax positions related to prior years	(6,000)		(20,000)
Decreases due to expiration of statute of limitations	(347,000)		(84,000)
Decreases due to settlements with taxing authorities	(227,000)	(1,504,000)	
Balance ending	2,813,000	3,228,000	3,284,000
Income tax examination payments		$ 700,000	

Stock-Based Compensation (Tables)	12 Months Ended Jan. 28, 2012
Stock-Based Compensation [Abstract]	
Summary of non-vested shares of stock outstanding	The following table summarizes non-vested shares of stock outstanding at January 28, 2012:

	Shares	Weighted-Average Grant-Date Fair Value
	(In thousands)	
Outstanding as of January 30, 2011	753	$ 22.22
Granted	762	$ 20.31
Vested	(343)	$ 23.12
Cancelled	(36)	$ 22.29
Outstanding as of January 28, 2012	1,136	$ 20.66

Summary of performance shares of stock outstanding	The following table summarizes performance shares of stock outstanding at January 28, 2012:

	Shares	Weighted-Average Grant-Date Fair Value
	(In thousands)	
Outstanding as of January 30, 2011	422	$ 18.44
Granted	-	-
Vested	(114)	$ 18.86
Cancelled	(96)	$ 21.93
Outstanding as of January 28, 2012	212	$ 16.65

Summary of stock option activity	The following tables summarize stock option transactions for common stock for fiscal 2011:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
	(In thousands)		(In years)	(In millions)
Outstanding as of January 30, 2011	746	$ 15.68		
Granted	10	$ 16.72		
Exercised	(110)	$ 13.52		
Cancelled[1]	(53)	$ 18.40		
Outstanding as of January 28, 2012	593	$ 15.86	2.70	$ 0.9

Options vested and expected to vest [2] at January 28, 2012	591	$	15.86	2.70	$	0.9
Exercisable as of January 28, 2012	562	$	15.73	2.55	$	0.9

[1] The number of options cancelled includes approximately 52,000 expired shares.

[2] The number of options expected to vest takes into consideration estimated expected forfeitures.

Summary of information regarding non-vested outstanding options

The following tables summarize information regarding non-vested outstanding stock options as of January 28, 2012:

	Shares		Weighted Average Grant-Date Fair Value
	(In thousands)		
Non-vested as of January 30, 2011	187	$	8.19
Granted	10	$	6.43
Vested	(165)	$	8.19
Cancelled	(1)	$	8.29
Non-vested as of January 28, 2012	31	$	7.60

Earnings Per Share (Tables)	12 Months Ended Jan. 28, 2012
Earnings Per Share [Abstract]	
Computations of basic and diluted earnings per share	Earnings per common share has been computed as follows (in thousands, except per share data):

	Fiscal		
	2011	2010	2009
Net income	$69,515	$231,339	$229,457
Weighted average basic shares	81,208	91,700	99,629
Impact of dilutive securities	603	1,062	1,396
Weighted average diluted shares	81,811	92,762	101,025
Per common share:			
Basic earnings per share	$ 0.86	$ 2.52	$ 2.30
Diluted earnings per share	$ 0.85	$ 2.49	$ 2.27

Commitments and Contingencies (Details) (USD $)	12 Months Ended			12 Months Ended														
	Feb. 01, 2014	Feb. 02, 2013	Jan. 28, 2012	Jan. 28, 2012 Minimum rentals for stores [Member]	Jan. 29, 2011 Minimum rentals for stores [Member]	Jan. 30, 2010 Minimum rentals for stores [Member]	Jan. 28, 2012 Contingent rentals [Member]	Jan. 29, 2011 Contingent rentals [Member]	Jan. 30, 2010 Contingent rentals [Member]	Jan. 28, 2012 Office space rentals [Member]	Jan. 29, 2011 Office space rentals [Member]	Jan. 30, 2010 Office space rentals [Member]	Jan. 28, 2012 Distribution centers rentals [Member]	Jan. 29, 2011 Distribution centers rentals [Member]	Jan. 30, 2010 Distribution centers rentals [Member]	Jan. 28, 2012 Equipment rentals [Member]	Jan. 29, 2011 Equipment rentals [Member]	Jan. 30, 2010 Equipment rentals [Member]
Future Minimum Rental Payments Due [Abstract]																		
2012			$ 137,554,000															
2013			131,604,000															
2014			121,454,000															
2015			108,406,000															
2016			94,589,000															
Thereafter			380,905,000															
Total			974,512,000															
Equipment leases commitment			7,800,000															
Operating Leased Assets [Line Items]																		
Rental Expense				130,414,000	112,872,000	97,889,000	18,770,000	24,396,000	23,809,000	5,017,000	3,945,000	3,921,000	3,229,000	3,213,000	3,181,000	3,683,000	4,075,000	3,070,000
Contractual commitment under employment, services and separation agreements			3,900,000															
Amount of conditional bonuses that may be paid	500,000	1,900,000																
Guarantees [Abstract]																		
Guaranteed minimum product purchase commitment measured over any consecutive two-year period			$ 350,000,000															

Retirement Benefit Plans (Tables)	12 Months Ended Jan. 28, 2012
Retirement Benefit Plans [Abstract]	
Retirement benefit plan liabilities	Retirement benefit plan liabilities consisted of the following (in thousands):

	January 28, 2012	January 29, 2011
Supplemental Executive Retirement Plan (“SERP”)	$ 11,601	$ 9,597
Other retirement plan liabilities	2,095	2,559
Total	13,696	12,156
Less amount classified in accrued expenses related to SERP	-	1,327
Long-term retirement benefit plan liabilities	$ 13,696	$ 10,829

Reconciliation of supplemental executive retirement plan information

The following information about the SERP is provided below (in thousands):

	January 28, 2012	January 29, 2011
CHANGE IN BENEFIT OBLIGATION:		
Benefit obligation at beginning of period	$ 9,597	$ 25,282
Service cost	584	884
Interest cost	497	957
Plan amendments	-	-
Actuarial loss	2,298	106
Benefits paid	-	-
Settlements	(1,375)	(17,632)
Special termination benefits	-	-
Benefit obligation at end of period	$ 11,601	$ 9,597
CHANGE IN PLAN ASSETS:		
Fair value of plan assets at beginning of period	$ -	$ -
Actual return on plan assets	-	-
Employer contributions	1,375	17,632
Benefits paid	(1,375)	(17,632)
Settlements	-	-
Fair value of plan assets at end of period	$ -	$ -
Funded status at end of period	$ (11,601)	$ (9,597)
AMOUNTS RECOGNIZED IN THE STATEMENT OF FINANCIAL POSITION:		
Noncurrent assets	$ -	$ -
Current liabilities	-	(1,327)
Noncurrent liabilities	(11,601)	(8,270)
	$ (11,601)	$ (9,597)
AMOUNTS RECOGNIZED IN ACCUMULATED OTHER COMPREHENSIVE LOSS:		

Net loss	$ 4,687	$ 3,098
Prior service cost	611	685
Total	$ 5,298	$ 3,783
INFORMATION FOR PENSION PLANS WITH AN ACCUMULATED BENEFIT OBLIGATION IN EXCESS OF PLAN ASSETS:		
Projected benefit obligation	$ 11,601	$ 9,597
Accumulated benefit obligation	6,280	5,331
Fair value of plan assets	-	-

Components of net periodic pension benefit cost

Pension expense includes the following components (in thousands):

	Fiscal		
	2011	2010	2009
COMPONENTS OF NET PERIODIC BENEFIT COST:			
Service cost	$ 584	$ 884	$ 686
Interest cost	497	957	1,514
Expected return on plan assets	-	-	-
Amortization of prior service cost	74	74	74
Amortization of net loss	208	556	628
Net periodic benefit cost	1,363	2,471	$ 2,902
Settlement loss	501	6,789	-
Total benefit cost	$ 1,864	$ 9,260	$ 2,902
OTHER CHANGES IN PLAN ASSETS AND BENEFIT OBLIGATIONS RECOGNIZED IN OTHER COMPREHENSIVE LOSS:			
Net actuarial loss	$ 2,298	$ 106	$ 1,858
Prior service cost	-	-	-
Amortization of net loss	(208)	(556)	(628)
Amortization of prior service cost	(74)	(74)	(74)
Settlement loss	(501)	(6,789)	-
Total recognized in other comprehensive loss	$ 1,515	$ (7,313)	$ 1,156
Total recognized in net periodic benefit cost and other comprehensive loss	$ 3,379	$ 1,947	$ 4,058
WEIGHTED AVERAGE ASSUMPTIONS USED:			
Discount rate to determine benefit obligations	3.95%	5.50%	5.60%
Discount rate to determine net periodic pension cost	5.13%	5.38%	6.75%
Rate of compensation increase[1]	4.50%	4.50%	4.50%

[1] Rate of compensation is used for determining the benefit obligation and net periodic pension cost.

Income Taxes (Tables)	12 Months Ended Jan. 28, 2012

Income Taxes [Abstract]

Domestic and Foreign Pretax Income

Domestic and foreign pretax income is as follows (in thousands):

	Fiscal		
	2011	2010	2009
Domestic	$121,799	$375,364	$376,773
Foreign	(8,701)	11,312	6,033
Total income before provision for income taxes	$113,098	$386,676	$382,806

Components of Provision For Income Taxes

The provision for income taxes consists of the following (in thousands):

	Fiscal		
	2011	2010	2009
Current:			
Federal	$ 28,543	$105,768	$127,119
State and local	4,604	26,814	28,865
Foreign	757	3,932	1,535
	$ 33,904	$136,514	$157,519
Deferred:			
Federal	$ 9,622	$ 18,945	$ (3,204)
State and local	2,782	(229)	(1,479)
Foreign	(2,725)	107	513
	$ 9,679	$ 18,823	$ (4,170)
	$ 43,583	$155,337	$153,349

Effective Income Tax Rate Reconciliation

Reconciliation of the U.S. statutory tax rate with our effective tax rate is summarized as follows:

	Fiscal		
	2011	2010	2009
Federal statutory rate	35.0%	35.0%	35.0%
Increase (decrease) in tax resulting from:			
State income taxes, net of federal tax benefit, before valuation allowance	3.9	4.6	4.6
State income tax valuation allowance	1.2	-	(0.1)
Other	(1.6)	0.6	0.6
Effective rate	38.5%	40.2%	40.1%

Components of Deferred Tax Assets and Liabilities

The components of the net deferred income tax assets and liabilities are as follows (in thousands):

	January 28, 2012	January 29, 2011
Current:		
Inventory	$ (786)	$ 2,308
Unredeemed gift cards	2,040	1,637
Accrued compensation	3,377	7,189
Retirement benefit plan liabilities	-	599
Net operating loss carry-back	1,803	-
Other	972	1,853
Net current deferred tax assets	$ 7,406	$ 13,586
Non-current:		
Furniture, equipment and improvements	$ (34,636)	$ (26,748)

Retirement benefit plan liabilities	5,372	4,194
Stock-based compensation	7,347	8,236
Deferred rent and tenant allowances	7,673	3,075
Net operating loss carry-forwards (“NOL's”)	3,248	2,623
Valuation allowance for NOL's	(1,248)	(196)
Other	1,789	1,450
Net non-current deferred tax liabilities	(10,455)	(7,366)
Net deferred income tax (liabilities) assets	$ (3,049)	$ 6,220

Unrecognized Tax Benefits Reconciliation

Below is a reconciliation of the beginning and ending amount of the gross unrecognized tax benefits relating to uncertain tax positions, which are recorded in our Consolidated Balance Sheets.

	Unrecognized Tax Benefits
	(In thousands)
Balance at January 31, 2009	$ 1,937
Increases due to tax positions related to prior years	1,312
Increases due to tax positions related to current year	139
Decreases due to tax positions related to prior years	(20)
Decreases due to expiration of statute of limitations	(84)
Balance at January 30, 2010	$ 3,284
Increases due to tax positions related to prior years	1,317
Increases due to tax positions related to current year	131
Decreases due to settlements with taxing authorities	(1,504)
Balance at January 29, 2011	$ 3,228
Increases due to tax positions related to prior years	165
Decreases due to tax positions related to prior years	(6)
Decreases due to lapse of statute of limitations	(347)
Decreases due to settlements with taxing authorities	(227)
Balance at January 28, 2012	$ 2,813

CONSOLIDATED STATEMENTS OF CASH FLOWS (USD $) In Thousands, unless otherwise specified	12 Months Ended		
	Jan. 28, 2012	Jan. 29, 2011	Jan. 30, 2010
CONSOLIDATED STATEMENTS OF CASH FLOWS [Abstract]			
Net income	$ 69,515	$ 231,339	$ 229,457
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	65,113	58,045	49,863
Asset impairment charges	16,036	674	2,988
Stock-based compensation	9,413	11,485	14,673
Amortization of tenant allowances	(12,932)	(12,864)	(12,348)
Amortization of deferred rent expense	5,775	7,070	1,366
Pension expense	1,889	7,993	3,361
Deferred income taxes	9,679	18,823	(4,170)
Excess tax benefits from stock-based compensation	(453)	(5,128)	(1,184)
Merchandise inventory	(7,095)	(23,100)	(5,599)
Prepaid expenses and other assets	(14,219)	(4,989)	(1,308)
Accounts payable	512	11,904	13,210
Accrued expenses and other liabilities	(13,932)	(37,521)	44,131
Net cash provided by operating activities	129,301	263,731	334,440
Cash Flows Used in Investing Activities			
Capital expenditures	(73,323)	(100,807)	(53,883)
Net cash used in investing activities	(73,323)	(100,807)	(53,883)
Cash Flows Used in Financing Activities			
Purchase of treasury stock	(100,118)	(257,485)	(174,257)
Proceeds from stock options exercised	1,486	6,978	10,469
Excess tax benefits from stock-based compensation	453	5,128	1,184
Net cash used in financing activities	(98,179)	(245,379)	(162,604)
Effect of exchange rate changes	360	1,032	493
Net (Decrease) Increase in Cash and Cash Equivalents	(41,841)	(81,423)	118,446
Cash and Cash Equivalents, Beginning of Year	265,553	346,976	228,530
Cash and Cash Equivalents, End of Year	223,712	265,553	346,976
Supplemental Disclosures of Cash Flow Information:			
Income taxes paid	49,964	147,700	139,019
Accruals related to purchases of property and equipment	$ 1,397	$ 5,182	$ 696

Commitments and Contingencies (Tables)	12 Months Ended Jan. 28, 2012
Commitments and Contingencies [Abstract]	
Aggregate Minimum Annual Real Estate Rent Commitments	The aggregate minimum annual real estate rent commitments as of January 28, 2012 are as follows (in thousands):

Due in Fiscal Year	Total
2012	$ 137,554
2013	131,604
2014	121,454
2015	108,406
2016	94,589
Thereafter	380,905
Total	$ 974,512

Rental Expense

Rental expense consists of the following (in thousands):

	Fiscal		
	2011	2010	2009
Minimum rentals for stores	$130,414	$112,872	$97,889
Contingent rentals	18,770	24,396	23,809
Office space rentals	5,017	3,945	3,921
Distribution centers rentals	3,229	3,213	3,181
Equipment rentals	3,683	4,075	3,070

Earnings Per Share (Details) (USD $) In Thousands, except Share data, unless otherwise specified	3 Months Ended								12 Months Ended		
	Jan. 28, 2012	Oct. 29, 2011	Jul. 30, 2011	Apr. 30, 2011	Jan. 29, 2011	Oct. 30, 2010	Jul. 31, 2010	May 01, 2010	Jan. 28, 2012	Jan. 29, 2011	Jan. 30, 2010
Earnings Per Share [Abstract]											
Net income	$ 26,099	$ 24,108	$ 2,941	$ 16,367	$ 83,820	$ 58,535 [1]	$ 43,600	$ 45,384	$ 69,515	$ 231,339	$ 229,457
Weighted average basic shares (in shares)									81,208,000	91,700,000	99,629,000
Impact of dilutive securities (in shares)									603,000	1,062,000	1,396,000
Weighted average diluted shares (in shares)									81,811,000	92,762,000	101,025,000
Per common share [Abstract]											
Basic earnings per share (in dollars per share)	$ 0.32	$ 0.30	$ 0.04	$ 0.20	$ 0.96 [2]	$ 0.64 [1],[2]	$ 0.47 [2]	$ 0.48 [2]	$ 0.86	$ 2.52	$ 2.30
Diluted earnings per share (in dollars per share)	$ 0.32	$ 0.30	$ 0.04	$ 0.20	$ 0.95 [2]	$ 0.63 [1],[2]	$ 0.46 [2]	$ 0.48 [2]	$ 0.85	$ 2.49	$ 2.27
Options to purchase shares not included in the computation of diluted earnings per share (in shares)									315,977		6,000

[1] Net income and earnings per share include a charge of $6.4 million ($3.9 million after tax, or $0.04 per diluted share) resulting from a retirement plan settlement payment that was recorded during the third quarter of fiscal 2010.

[2] In March 2010, we completed a three-for-two stock split on all shares of our common stock. All share and per share amounts presented in the consolidated financial statements were retroactively adjusted for the common stock split, as were all previously reported periods contained herein.

CONSOLIDATED BALANCE SHEETS (USD $) In Thousands, unless otherwise specified	Jan. 28, 2012	Jan. 29, 2011
Current assets:		
Cash and cash equivalents	$ 223,712	$ 265,553
Merchandise inventory	163,522	156,596
Prepaid expenses	28,023	24,533
Prepaid taxes	7,199	0
Deferred income taxes	7,406	13,593
Other current assets	11,937	9,290
Total current assets	441,799	469,565
Fixtures, equipment and improvements - net	287,393	299,242
Deferred income taxes	1,071	98
Other assets	4,970	4,292
Total assets	735,233	773,197
Current liabilities:		
Accounts payable	103,476	103,014
Accrued expenses	89,735	113,088
Total current liabilities	193,211	216,102
Lease related liabilities	102,865	101,504
Non-current retirement benefit plan liabilities	13,696	10,829
Other non-current liabilities	588	363
Uncertain tax contingency liabilities	3,913	4,298
Non-current deferred tax liabilities	11,526	7,464
Total non-current liabilities	132,588	124,458
Commitments and contingent liabilities		
Stockholders' equity:		
Preferred stock - par value, $0.01 per share; 5,000 shares authorized, no shares issued or outstanding	0	0
Common stock - par value, $0.01 per share; 200,000 shares authorized, 91,259 and 90,692 shares issued	913	907
Additional paid-in capital	206,670	195,401
Accumulated other comprehensive loss	(839)	(443)
Retained earnings	459,279	389,764
Treasury stock at cost - 10,429 and 6,112 shares	(256,589)	(152,992)
Total stockholders' equity	409,434	432,637
Total liabilities and stockholders' equity	$ 735,233	$ 773,197

Selected Quarterly Financial Data (Unaudited) (Details) (USD $)	1 Months Ended	3 Months Ended								12 Months Ended			48 Months Ended
	Mar. 31, 2010	Jan. 28, 2012	Oct. 29, 2011	Jul. 30, 2011	Apr. 30, 2011	Jan. 29, 2011	Oct. 30, 2010	Jul. 31, 2010	May 01, 2010	Jan. 28, 2012	Jan. 29, 2011	Jan. 30, 2010	Jan. 29, 2011
Selected Quarterly Financial Data (Unaudited) [Abstract]													
Net sales		$ 808,380,000	$ 596,506,000	$ 468,191,000	$ 469,183,000	$ 839,331,000	$ 602,756,000 [1]	$ 494,706,000	$ 463,641,000	$ 2,342,260,000	$ 2,400,434,000	$ 2,230,105,000	
Gross profit		196,130,000 [2]	161,521,000 [2]	114,035,000 [2]	136,658,000	298,126,000	220,587,000 [1]	184,630,000	182,819,000	608,344,000	886,162,000	847,147,000	
Net income		26,099,000	24,108,000	2,941,000	16,367,000	83,820,000	58,535,000 [1]	43,600,000	45,384,000	69,515,000	231,339,000	229,457,000	
Basic earnings per common share (in dollars per share)		$ 0.32	$ 0.30	$ 0.04	$ 0.20	$ 0.96 [3]	$ 0.64 [1],[3]	$ 0.47 [3]	$ 0.48 [3]	$ 0.86	$ 2.52	$ 2.30	
Diluted earnings per common share (in dollars per share)		$ 0.32	$ 0.30	$ 0.04	$ 0.20	$ 0.95 [3]	$ 0.63 [1],[3]	$ 0.46 [3]	$ 0.48 [3]	$ 0.85	$ 2.49	$ 2.27	
Asset impairment charges		14,800,000	1,200,000							16,036,000	674,000	2,988,000	
Asset impairment charges, after tax		9,100,000	800,000										
Asset impairment charges per share (in dollars per share)		$ (0.11)	$ (0.01)										
Benefit from resolution of dispute with sourcing agent				8,700,000						8,700,000			8,000,000
Benefit from resolution of dispute with sourcing agent, after tax				5,300,000									
Benefit from resolution of dispute with sourcing agent per share (in dollars per share)				$ 0.06									
Defined Benefit Plan Disclosure [Line Items]													
Stock split	three-for-twostock split on all shares of our common stock												
Supplemental Executive Retirement Plan [Member]													
Defined Benefit Plan Disclosure [Line Items]													
Settlement loss related to payment under supplemental executive retirement plan recorded in selling, general and administrative expense							6,400,000						
Settlement loss, net of tax, related to payment under supplemental executive retirement plan recorded in selling, general and administrative expense							$ 3,900,000						
Settlement loss, net of tax, related to payment under supplemental executive retirement plan recorded in selling, general and administrative expense, impact per share (in dollars per share)							$ (0.04)						

[1] Net income and earnings per share include a charge of $6.4 million ($3.9 million after tax, or $0.04 per diluted share) resulting from a retirement plan settlement payment that was recorded during the third quarter of fiscal 2010.

[2] Cost of sales and gross profit reflect asset impairment charges recorded during the fourth quarter of fiscal 2011 of $14.8 million ($9.1 million after tax, or $0.11 per diluted share) and $1.2 million ($0.8 million after tax, or $0.01 per diluted share) in the third quarter of fiscal 2011. During the second quarter of fiscal 2011, we recorded a benefit in cost of sales of $8.7 million ($5.3 million after tax, or $0.06 per diluted share), resulting from the resolution of a dispute with one of our sourcing agents, related to prior period allowances.

[3] In March 2010, we completed a three-for-two stock split on all shares of our common stock. All share and per share amounts presented in the consolidated financial statements were retroactively adjusted for the common stock split, as were all previously reported periods contained herein.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (USD $) In Thousands	Common Stock [Member]	Additional Paid-in Capital [Member]	Treasury Stock [Member]	Accumulated Other Comprehensive Loss [Member]	Retained Earnings [Member]	Total
BALANCE at Jan. 31, 2009	$ 1,358	$ 145,498	$ (476,131)	$ (8,998)	$ 693,333	$ 355,060
BALANCE (in shares) at Jan. 31, 2009	135,708		(35,313)			
Net income	0	0	0	0	229,457	229,457
Stock options exercised (in shares)	845					
Stock options exercised	8	10,461	0	0	0	10,469
Pension liability (net of tax)	0	0	0	(712)	0	(712)
Excess tax benefit from stock-based compensation	0	1,184	0	0	0	1,184
Repurchase of common stock (in shares)			(7,583)			
Repurchase of common stock	0	0	(174,257)	0	0	(174,257)
Stock-based compensation	0	14,673	0	0	0	14,673
Foreign currency translation adjustment	0	0	0	2,717	0	2,717
Vesting of stock (in shares)	537		(199)			
Vesting of stock	5	(1)	(4,106)	0	0	(4,102)
Retirement of treasury stock	0	0	0	0	0	0
BALANCE at Jan. 30, 2010	1,371	171,815	(654,494)	(6,993)	922,790	434,489
BALANCE (in shares) at Jan. 30, 2010	137,090		(43,095)			
Net income	0	0	0	0	231,339	231,339
Stock options exercised (in shares)	520		0	0	0	
Stock options exercised	5	6,973	0	0	0	6,978
Pension liability (net of tax)				4,219		4,219
Excess tax benefit from stock-based compensation	0	5,128	0	0	0	5,128
Repurchase of common stock (in shares)			(10,289)			
Repurchase of common stock	0	0	(257,485)	0	0	(257,485)
Stock-based compensation	0	11,485	0	0	0	11,485
Foreign currency translation adjustment	0	0	0	2,331	0	2,331
Vesting of stock (in shares)	571		(217)	0	0	
Vesting of stock	6	0	(5,853)	0	0	(5,847)
Retirement of treasury stock (in shares)	(47,489)		47,489			

Retirement of treasury stock	(475)	0	764,840	0	(764,365)	0
BALANCE at Jan. 29, 2011	907	195,401	(152,992)	(443)	389,764	432,637
BALANCE (in shares) at Jan. 29, 2011	90,692		(6,112)			
Net income	0	0	0	0	69,515	69,515
Stock options exercised (in shares)	110	0				
Stock options exercised	3	1,483	0	0	0	1,486
Pension liability (net of tax)	0	0	0	(535)	0	(535)
Excess tax benefit from stock-based compensation	0	453	0	0	0	453
Repurchase of common stock (in shares)			(4,163)			
Repurchase of common stock	0	0	(100,118)	0	0	(100,118)
Issuance of treasury stock (in shares)			3			
Issuance of treasury stock	0	(44)	80	0	0	36
Stock-based compensation	0	9,377	0	0	0	9,377
Foreign currency translation adjustment	0	0	0	139	0	139
Vesting of stock (in shares)	457		(157)	0	0	
Vesting of stock	3	0	(3,559)	0	0	(3,556)
Retirement of treasury stock	0	0	0	0	0	0
BALANCE at Jan. 28, 2012	$ 913	$ 206,670	$ (256,589)	$ (839)	$ 459,279	$ 409,434
BALANCE (in shares) at Jan. 28, 2012	91,259		(10,429)			

Asset Impairment (Details) (USD $)	3 Months Ended		12 Months Ended		
	Jan. 28, 2012	Oct. 29, 2011	Jan. 28, 2012	Jan. 29, 2011	Jan. 30, 2010
Tangible Asset Impairment Charges [Abstract]					
Long-lived assets held and used losses	$ 14,800,000	$ 1,200,000	$ 16,036,000	$ 674,000	$ 3,000,000
Number of stores impaired	36	3	39	1	6
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]					
Long-lived assets held and used losses	14,800,000	1,200,000	16,036,000	674,000	3,000,000
Carrying amount of long-lived assets held and used	17,000,000		17,000,000	700,000	
Number of stores in Jimmy'Z concept					14
Fair Value, Measurements, Recurring [Member]					
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]					
Long-lived assets held and used	979,000		979,000	0	
Fair Value, Measurements, Recurring [Member] | Fair Value, Inputs, Level 1 [Member]					
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]					
Long-lived assets held and used	0		0	0	
Fair Value, Measurements, Recurring [Member] | Fair Value, Inputs, Level 2 [Member]					
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]					
Long-lived assets held and used	0		0	0	
Fair Value, Measurements, Recurring [Member] | Fair Value, Inputs, Level 3 [Member]					
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]					
Long-lived assets held and used	$ 979,000		$ 979,000	$ 0	

Summary of Significant Accounting Policies (Policies)	12 Months Ended Jan. 28, 2012
Summary of Significant Accounting Policies [Abstract]	
Basis of Consolidation and Presentation	***Basis of Consolidation and Presentation*** The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S."). The consolidated financial statements include the accounts of Aéropostale, Inc. and its subsidiaries. All inter-company accounts and transactions have been eliminated in consolidation.
Fiscal Year	***Fiscal Year*** Our fiscal year ends on the Saturday nearest to January 31. The 2011 fiscal year ended January 28, 2012, the 2010 fiscal year ended January 29, 2011, and the 2009 fiscal year ended January 30, 2010 were 52 week periods. The 2012 fiscal year ending February 2, 2013 will be a 53 week period.
Use of Estimates	***Use of Estimates*** The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. Actual results could differ materially from those estimated. The most significant estimates made by management include those made in the areas of merchandise inventory valuation, the supplemental executive retirement plan, impairment analysis of long-lived assets, and income taxes. Management periodically evaluates estimates used in the preparation of the consolidated financial statements for continued reasonableness. Appropriate adjustments, if any, to the estimates used are made prospectively based on such periodic evaluations.
Translation of Foreign Currency Financial Statements and Foreign Currency Transactions	***Translation of Foreign Currency Financial Statements and Foreign Currency Transactions*** The financial statements of our Canadian subsidiary have been translated into United States dollars by translating balance sheet accounts at the year-end exchange rate and statement of income accounts at the average exchange rates for the year. Foreign currency translation gains and losses are reflected in the equity section of our consolidated balance sheet in accumulated other comprehensive loss and are not adjusted for income taxes as they relate to a permanent investment in our subsidiary in Canada. The balance of the unrealized foreign currency translation adjustment included in accumulated other comprehensive loss was income of $2.5 million as of January 28, 2012 compared to income of $2.4 million as of January 29, 2011. Foreign currency transaction gains and losses are charged or credited to earnings as incurred.
Cash Equivalents	***Cash Equivalents*** We include credit card receivables and all short-term investments that qualify as cash equivalents with an original maturity of three months or less in cash and cash equivalents.
Fair Value Measurements	***Fair Value Measurements*** We follow the guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, "Fair Value Measurement Disclosures" ("ASC 820") as it relates to financial and nonfinancial assets and liabilities. We currently have no financial assets or liabilities that are measured at fair value. Our non-financial assets, which include fixtures, equipment and improvements, are not required to be

measured at fair value on a recurring basis. However, if certain triggering events occur, or if an impairment test is required and we are required to evaluate the non-financial asset for impairment, a resulting asset impairment would require that the non-financial asset be recorded at fair value. ASC 820 prioritizes inputs used in measuring fair value into a hierarchy of three levels: Level 1-quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2-inputs other than quoted prices included within Level 1 that are either directly or indirectly observable; and Level 3-unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

The fair value of cash and cash equivalents, receivables (included in other current assets), and accounts payable approximates their carrying value due to their short-term maturities.

Merchandise Inventory

Merchandise Inventory

Merchandise inventory consists of finished goods and is valued utilizing the cost method at the lower of cost or market determined on a weighted average basis. Merchandise inventory includes warehousing, freight, merchandise and design costs as an inventory product cost. We make certain assumptions regarding future demand and net realizable selling price in order to assess that our inventory is recorded properly at the lower of cost or market. These assumptions are based on both historical experience and current information. We recorded adjustments to reduce the carrying value of inventory and increase cost of sales for lower of cost or market of $14.8 million as of January 28, 2012 and $12.0 million as of January 29, 2011.

Vendor Rebates

Vendor Rebates

We receive vendor rebates from certain merchandise suppliers. The vendor rebates are earned as we receive merchandise from the suppliers and are computed at an agreed upon percentage of the purchase amount. Vendor rebates are recorded as a reduction of merchandise inventory, and are then recognized as a reduction of cost of sales when the related inventory is sold. Vendor rebates recorded as a reduction of the carrying value of merchandise inventory were $2.1 million as of January 28, 2012 and $1.8 million as of January 29, 2011. Vendor rebates recorded as a reduction of cost of sales were $13.0 million for fiscal 2011, $10.2 million for fiscal 2010, and $8.8 million for fiscal 2009.

Fixtures, Equipment and Improvements

Fixtures, Equipment and Improvements

Fixtures, equipment and improvements are stated at cost. Depreciation and amortization are provided for by the straight-line method over the following estimated useful lives:

Fixtures and equipment	10 years
Leasehold improvements	Lesser of useful lives or lease term
Computer equipment	5 years
Software	3 years

Evaluation for Long-Lived Asset Impairment

Evaluation for Long-Lived Asset Impairment

We periodically evaluate the need to recognize impairment losses relating to long-lived assets in accordance with FASB ASC Topic 360, “Property, Plant and Equipment” (“ASC 360”). Long-lived assets are evaluated for recoverability whenever events or changes in circumstances indicate that an asset may have been impaired. In evaluating an asset for recoverability, we estimate the future undiscounted cash flows expected to result from the use of the asset and its eventual disposition. If the sum of the expected future cash flows is less than the carrying amount of the asset, we write the asset down to fair value and we record impairment charges, accordingly. The estimation of fair value is measured by discounting expected future cash flows. The recoverability assessment related to store-level assets requires judgments and estimates of future revenues, gross margin rates, store expenses and the weighted average cost of capital. We base these estimates upon our past and expected future performance. We believe our estimates are appropriate in light of current market conditions. However, actual results may differ materially from those estimated which could result in additional impairments of store long-lived assets in future periods, and could have a material impact on our consolidated financial statements.

Pre-Opening Expenses

Pre-Opening Expenses

New store pre-opening costs are expensed as they are incurred.

Leases

Leases

Our store operating leases typically provide for fixed non-contingent rent escalations. Rent payments under our store leases typically commence when the store opens. These leases include a pre-opening period that allows us to take possession of the property to fixture and merchandise the store. We recognize rent expense on a straight-line basis over the non-cancelable term of each individual underlying lease, commencing when we take possession of the property (see Note 11 for a further discussion).

In addition, our store leases require us to pay additional rent based on specified percentages of sales, after we achieve specified annual sales thresholds. We use store sales trends to estimate and record liabilities for these additional rent obligations during interim periods. Most of our store leases entitle us to receive tenant allowances from our landlords. We record these tenant allowances as a deferred rent liability, which we amortize as a reduction of rent expense over the non-cancelable term of each underlying lease.

Revenue Recognition

Revenue Recognition

Sales revenue is recognized at the “point of sale” in our stores, and at the time our e-commerce customers take possession of merchandise. Allowances for sales returns are recorded as a reduction of net sales in the periods in which the related sales are recognized. Also included in sales revenue is shipping revenue from our e-commerce customers. Sales tax collected from customers is excluded from revenue and is included in accrued expenses on our Consolidated Balance Sheets. Revenue from licensing arrangements is recognized when earned in accordance with the terms of the underlying agreement, generally based upon the greater of the contractually earned or guaranteed minimum royalty levels. During fiscal 2011, we launched a loyalty rewards program for our P.S. from Aéropostale stores. Accordingly, we have recorded a deferred sales liability within accrued expenses in connection with this program. The amount recorded was not material to the financial statements for any period presented.

Gift Cards

Gift Cards

We sell gift cards to our customers in our retail stores, through our websites, and through select third parties. We do not charge administrative fees on unused gift cards and our gift cards do not have an expiration date. Revenue is not recorded on the purchase of gift cards. A current liability is recorded upon purchase, and revenue is recognized when the gift card or store credits are redeemed for merchandise. We also recognize breakage income for the portion of gift cards estimated to be unredeemed. We have relieved our legal obligation to escheat the value of unredeemed gift cards to the relevant jurisdiction. We therefore determined that the likelihood of certain gift cards being redeemed by the customer was remote, based upon historical redemption patterns of gift cards. For those gift cards that we determined redemption to be remote, we reversed our liability and recorded gift card breakage income in net sales. We recorded net sales related to gift card breakage income of $5.6 million in fiscal 2011, $5.8 million in fiscal 2010 and $4.0 million in fiscal 2009 (see Note 5).

Cost of Sales

Cost of Sales

Cost of sales includes costs related to merchandise sold, including inventory valuation adjustments, distribution and warehousing, freight from the distribution center to the stores, shipping and handling costs, payroll for our design, buying and merchandising departments, and occupancy costs. Occupancy costs include rent, contingent rent, common area maintenance, real estate taxes, utilities, repairs, maintenance, depreciation and amortization and impairment charges.

Cost of sales for fiscal 2011 includes a benefit of $8.7 million resulting from the resolution of a dispute with one of our sourcing agents, related to prior period allowances recorded in the second quarter. Of this benefit, $8.0 million relates to fiscal years 2007 through 2010 and is not material to any individual prior period.

Selling, General and Administrative Expenses

Selling, General and Administrative Expenses

Selling, general and administrative expenses, or SG&A, include costs related to selling expenses, store management and corporate expenses such as payroll and employee benefits, marketing expenses, employment taxes, information technology maintenance costs and expenses, insurance and legal expenses, e-commerce transaction expenses , store pre-opening and other corporate level expenses. Store pre-opening expenses include store level payroll, grand opening event marketing, travel, supplies and other store pre-opening expenses.

Self-Insurance

Self-Insurance

We self-insure our workers compensation claims and our employee medical benefits. The recorded liabilities for these obligations are calculated primarily using historical experience and current information. The liabilities include amounts for actual claims and estimated claims incurred but not yet reported. Self-insurance liabilities were $4.8 million at January 28, 2012 and $5.1 million at January 29, 2011. We paid workers compensation claims of $0.8 million in fiscal 2011, $0.8 million in fiscal 2010 and $0.7 million in fiscal 2009. In addition, we paid employee medical claims of $13.8 million in fiscal 2011, $13.2 million in fiscal 2010 and $11.8 million in fiscal 2009.

Retirement Benefit Plans

Retirement Benefit Plans

Our retirement benefit plan costs are accounted for using actuarial valuations required by FASB ASC Topic 715 “Compensation – Retirement Benefits” (“ASC 715”). ASC 715 requires an entity to recognize the funded status of its defined pension plans on the balance sheet and to recognize changes in the funded status that arise during the period but are not recognized as components of net periodic benefit cost, within other comprehensive loss, net of income taxes (see Note 9 for a further discussion).

Marketing Costs

Marketing Costs

Marketing costs, which include e-commerce, print, radio and other media advertising, are expensed at the point of first broadcast or distribution, and were $11.8 million in fiscal 2011, $9.7 million in fiscal 2010, and $8.5 million in fiscal 2009.

Stock-Based Compensation

Stock-Based Compensation

We follow the provisions from the FASB ASC Topic 718 “Compensation – Stock Compensation” (“ASC 718”). Under such guidance, all forms of share-based payment to employees and directors, including stock options, must be treated as compensation and recognized in the income statement (see Note 8 for a further discussion).

Segment Reporting

Segment Reporting

FASB ASC Topic 280, “Segment Reporting” (“ASC 280”), establishes standards for reporting information about a company's operating segments. It also establishes standards for related disclosures about products and services, geographic areas and major customers. We operate in and report as a single aggregated operating segment, which includes the operations of our Aéropostale retail stores, P.S. from Aéropostale retail stores, our Aéropostale and P.S. from Aéropostale e-commerce sites, and licensing revenue. We do not rely on any major customers as a source of revenue. Licensing revenue was less than 1% of total net sales for each period presented.

The following tables present summarized geographical information (in thousands):

	Fiscal		
	2011	**2010**	**2009**

Net sales:			
United States[1]	$2,214,176	$2,281,421	$2,141,247
Canada	128,084	119,013	88,858
Total net sales	$2,342,260	$2,400,434	$2,230,105

[1] Amounts represent sales from U.S. and Puerto Rico retail stores, as well as e-commerce sales, that are billed to and/or shipped to foreign countries and licensing revenue.

	January 28, 2012	January 29, 2011
Long-lived assets, net:		
United States	$ 260,112	$ 269,447
Canada	27,281	29,795
Total long-lived assets, net	$ 287,393	$ 299,242

Our consolidated net sales mix by merchandise category was as follows:

	Fiscal		
Merchandise Categories	**2011**	**2010**	**2009**
Young Women's	66%	69%	70%
Young Men's	34	31	30
Total Merchandise Sales	100%	100%	100%

Income Taxes

Income Taxes

Income taxes are accounted for in accordance with FASB ASC Topic 740, "Income Taxes" ("ASC 740"). Under ASC 740, income taxes are recognized for the amount of taxes payable for the current year and deferred tax assets and liabilities for the future tax consequence of events that have been recognized differently in the financial statements than for tax purposes. Deferred tax assets and liabilities are established using statutory tax rates and are adjusted for tax rate changes.

ASC 740 clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements and requires companies to determine whether it is "more likely than not" that a tax position will be sustained upon examination by the appropriate taxing authorities before any part of the benefit can be recorded in the financial statements. For those tax positions where it is not "more likely than not" that a tax benefit will be sustained, no tax benefit is recognized. Where applicable, associated interest and penalties are also recorded. Interest and penalties, if any, are recorded within the provision for income taxes in our Consolidated Statements of Income and are classified on the Consolidated Balance Sheets with the related liability for uncertain tax contingency liabilities.

A valuation allowance against our deferred tax assets is recorded when it is more likely than not that some portion or all of the deferred tax assets will not be realized. In determining the need for a valuation allowance, management is required to make assumptions and to apply judgment, including forecasting future earnings, taxable income, and the mix of earnings in the jurisdictions in which we operate. Management assesses the need for a valuation allowance based on our current and anticipated results of operations. The need for and the amount of valuation allowances can change in future periods if operating results and projections change significantly.

Stockholders' Equity (Details) (USD $)	12 Months Ended		
	Jan. 28, 2012	Jan. 29, 2011	Jan. 30, 2010
Total cost of repurchased shares	$ 100,100,000	$ 257,500,000	$ 174,300,000
Total number of shares repurchased (in shares)	57,100,000		
Total amount paid for common stock repurchased under the plan to date	1,000,000,000		
Average price per share of repurchased shares (in dollars per share)	$ 17.57		
Amount of remaining authorization under repurchase program	145,200,000		
Total share repurchase authorized	1,150,000,000		
Reduction of common stock on balance sheet due to treasury stock retirement		400,000	
Reduction of treasury stock on balance sheet due to treasury stock retirement		764,800,000	
Reduction of retained earnings on balance sheet due to treasury stock retirement		764,400,000	
Accumulated Other Comprehensive Loss [Abstract]			
Pension liability, net of tax	(3,358,000)	(2,823,000)	
Cumulative foreign currency translation adjustment	2,519,000 [1]	2,380,000 [1]	
Total accumulated other comprehensive loss	$ (839,000)	$ (443,000)	
Treasury Stock [Member]			
Number of shares of common stock repurchased during the period (in shares)	(4,163,000)	(10,289,000)	(7,583,000)
Number of shares of treasury stock retired (in shares)		47,489,000	

[1] Foreign currency translation adjustments are not adjusted for income taxes as they relate to a permanent investment in our subsidiary in Canada.

Asset Impairment (Tables)

12 Months Ended Jan. 28, 2012

Tangible Asset Impairment Charges [Abstract]

Fair Value of Long-Lived Assets Impaired

The table below sets forth by level within the fair value hierarchy the fair value of long-lived assets for which an impairment was recognized during the year (in thousands):

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value	Total Losses January 28, 2012
Long-lived assets held and used	$ -	$ -	$ 979	$ 979	$ 16,036

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value	Total Losses January 29, 2011
Long-lived assets held and used	$ -	$ -	$ -	$ -	$ 674

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (Parenthetical) (USD $) In Thousands, unless otherwise specified	12 Months Ended		
	Jan. 28, 2012	Jan. 29, 2011	Jan. 30, 2010
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY [Abstract]			
Tax on pension liability	$ 443	$ 3,006	$ 598

CONSOLIDATED BALANCE SHEETS (Parenthetical) (USD $) In Thousands, except Per Share data, unless otherwise specified	Jan. 28, 2012	Jan. 29, 2011
Stockholders' Equity		
Preferred stock, Par value (in dollars per share)	$ 0.01	$ 0.01
Preferred stock, Shares authorized (in shares)	5,000	5,000
Preferred stock, Shares issued (in shares)	0	0
Preferred stock, Shares outstanding (in shares)	0	0
Common stock, Par value (in dollars per share)	$ 0.01	$ 0.01
Common stock, Shares authorized (in shares)	200,000	200,000
Common stock, Shares issued (in shares)	91,259	90,692
Treasury stock at cost (in shares)	10,429	6,112

Retirement Benefit Plans	12 Months Ended Jan. 28, 2012
Retirement Benefit Plans [Abstract]	
Retirement Benefit Plans	

9. Retirement Benefit Plans

Retirement benefit plan liabilities consisted of the following (in thousands):

	January 28, 2012	January 29, 2011
Supplemental Executive Retirement Plan ("SERP")	$ 11,601	$ 9,597
Other retirement plan liabilities	2,095	2,559
Total	13,696	12,156
Less amount classified in accrued expenses related to SERP	-	1,327
Long-term retirement benefit plan liabilities	$ 13,696	$ 10,829

401(k) Plan

We maintain a qualified, defined contribution retirement plan with a 401(k) salary deferral feature that covers substantially all of our employees who meet certain requirements. Under the terms of the plan, employees may contribute, subject to statutory limitations, up to 100% of gross earnings and we will provide a matching contribution of 50% of the first 5% of gross earnings contributed by the participants. We also have the option to make additional contributions. Each matching contribution vests over a five-year service period with 20% vesting after two years and 50% vesting after year three. Vesting increases thereafter at a rate of 25% per year so that participants will be fully vested after five years of service. Contribution expense was $1.3 million in fiscal 2011, $1.1 million in fiscal 2010 and $1.1 million in fiscal 2009. In addition, during fiscal 2011, we established a defined contribution plan for eligible Canadian employees who meet certain requirements. Contribution expense was not material to the financial statements for any period presented.

Supplemental Executive Retirement Plan

Our SERP is a non-qualified defined benefit plan for certain officers. The plan is non-contributory and not funded and provides benefits based on years of service and compensation during employment. Participants are fully vested upon entrance in the plan. Pension expense is determined using the projected unit credit cost method to estimate the total benefits ultimately payable to officers and this cost is allocated to service periods. The actuarial assumptions used to calculate pension costs are reviewed annually.

The following information about the SERP is provided below (in thousands):

	January 28, 2012	January 29, 2011
CHANGE IN BENEFIT OBLIGATION:		

Benefit obligation at beginning of period	$ 9,597	$ 25,282
Service cost	584	884
Interest cost	497	957
Plan amendments	-	-
Actuarial loss	2,298	106
Benefits paid	-	-
Settlements	(1,375)	(17,632)
Special termination benefits	-	-
Benefit obligation at end of period	$ 11,601	$ 9,597
CHANGE IN PLAN ASSETS:		
Fair value of plan assets at beginning of period	$ -	$ -
Actual return on plan assets	-	-
Employer contributions	1,375	17,632
Benefits paid	(1,375)	(17,632)
Settlements	-	-
Fair value of plan assets at end of period	$ -	$ -
Funded status at end of period	$ (11,601)	$ (9,597)
AMOUNTS RECOGNIZED IN THE STATEMENT OF FINANCIAL POSITION:		
Noncurrent assets	$ -	$ -
Current liabilities	-	(1,327)
Noncurrent liabilities	(11,601)	(8,270)
	$ (11,601)	$ (9,597)
AMOUNTS RECOGNIZED IN ACCUMULATED OTHER COMPREHENSIVE LOSS:		
Net loss	$ 4,687	$ 3,098
Prior service cost	611	685
Total	$ 5,298	$ 3,783
INFORMATION FOR PENSION PLANS WITH AN ACCUMULATED BENEFIT OBLIGATION IN EXCESS OF PLAN ASSETS:		
Projected benefit obligation	$ 11,601	$ 9,597
Accumulated benefit obligation	6,280	5,331
Fair value of plan assets	-	-

Pension expense includes the following components (in thousands):

	Fiscal		
	2011	2010	2009
COMPONENTS OF NET PERIODIC BENEFIT COST:			
Service cost	$ 584	$ 884	$ 686
Interest cost	497	957	1,514
Expected return on plan assets	-	-	-
Amortization of prior service cost	74	74	74
Amortization of net loss	208	556	628
Net periodic benefit cost	1,363	2,471	$ 2,902
Settlement loss	501	6,789	-
Total benefit cost	$ 1,864	$ 9,260	$ 2,902

OTHER CHANGES IN PLAN ASSETS AND BENEFIT OBLIGATIONS RECOGNIZED IN OTHER COMPREHENSIVE LOSS:			
Net actuarial loss	$ 2,298	$ 106	$ 1,858
Prior service cost	-	-	-
Amortization of net loss	(208)	(556)	(628)
Amortization of prior service cost	(74)	(74)	(74)
Settlement loss	(501)	(6,789)	-
Total recognized in other comprehensive loss	$ 1,515	$ (7,313)	$ 1,156
Total recognized in net periodic benefit cost and other comprehensive loss	$ 3,379	$ 1,947	$ 4,058
WEIGHTED AVERAGE ASSUMPTIONS USED:			
Discount rate to determine benefit obligations	3.95%	5.50%	5.60%
Discount rate to determine net periodic pension cost	5.13%	5.38%	6.75%
Rate of compensation increase[1]	4.50%	4.50%	4.50%

[1] Rate of compensation is used for determining the benefit obligation and net periodic pension cost.

The estimated net loss and prior service cost for the defined benefit pension plan that will be amortized from accumulated other comprehensive loss into net periodic benefit cost over the next fiscal year are $278,000 and $74,000, respectively. The estimated net loss and prior service cost for the other postretirement plan that will be amortized from accumulated other comprehensive loss into net periodic benefit cost over the next fiscal year are not material to the consolidated financial statements.

The discount rates were determined by matching a published set of zero coupon yields and associated durations to expected plan benefit payment streams to obtain an implicit internal rate of return.

During the third quarter of 2010, we made a payment from our SERP of approximately $16.7 million to our former Chairman and Chief Executive Officer. Such amount was paid from our cash flows from operations. In connection with this payment, during the third quarter of 2010, we recorded a charge of $6.4 million in selling, general and administrative expenses representing the settlement loss, with a corresponding amount recorded to relieve accumulated other comprehensive loss included in our stockholders' equity. This accounting treatment is in accordance with settlement accounting procedures under the provisions of ASC 715-30-35-79.

Other Retirement Plan Liabilities

We have a long-term incentive deferred compensation plan established for the purpose of providing long-term incentives to a select group of management. The plan is a non-qualified, defined contribution plan and is not funded. Participants in this plan include all employees designated by us as Vice President, or other higher-ranking positions that are not participants in the SERP. We record annual monetary credits to each participant's account based on compensation levels and years as a participant in the plan. Annual interest credits are applied to the balance of each participant's account based upon established benchmarks. Each annual credit is subject to a three-year cliff-vesting schedule, and participants' accounts will be fully vested upon retirement after completing five years of service and attaining age 55. Compensation expense and the liability related to this plan was not material to our consolidated financial statements for any period presented.

We have a postretirement benefit plan for certain executives that provides retiree medical and dental benefits. The plan is an other post-employment benefit plan and is not funded. Pension expense and the liability related to this plan were not material to our consolidated financial statements for any period presented.

We do not expect to contribute to the SERP and expect to contribute less than $100,000 to the postretirement benefit plan for fiscal 2012 through fiscal 2021. The amount of cash contributions we are required to make to the plans could increase or decrease depending on when employees make retirement elections and other factors which are not in the control of the Company. Our expected cash contributions to the plans are equal to the expected benefit payments.

Document And Entity Information (USD $)	12 Months Ended Jan. 28, 2012	Mar. 21, 2012	Jun. 30, 2011
Entity Registrant Name	AEROPOSTALE INC		
Entity Central Index Key	0001168213		
Current Fiscal Year End Date	--01-28		
Entity Well-known Seasoned Issuer	Yes		
Entity Voluntary Filers	No		
Entity Current Reporting Status	Yes		
Entity Filer Category	Large Accelerated Filer		
Entity Public Float			$ 1,360,367,647
Entity Common Stock, Shares Outstanding		80,963,007	
Document Fiscal Year Focus	2012		
Document Fiscal Period Focus	FY		
Document Type	10-K		
Amendment Flag	false		
Document Period End Date	Jan. 28, 2012		

Income Taxes	12 Months Ended Jan. 28, 2012
Income Taxes [Abstract]	
Income Taxes	**10. Income Taxes**

Domestic and foreign pretax income is as follows (in thousands):

	Fiscal		
	2011	2010	2009
Domestic	$121,799	$375,364	$376,773
Foreign	(8,701)	11,312	6,033
Total income before provision for income taxes	$113,098	$386,676	$382,806

The provision for income taxes consists of the following (in thousands):

	Fiscal		
	2011	2010	2009
Current:			
Federal	$ 28,543	$105,768	$127,119
State and local	4,604	26,814	28,865
Foreign	757	3,932	1,535
	$ 33,904	$136,514	$157,519
Deferred:			
Federal	$ 9,622	$ 18,945	$ (3,204)
State and local	2,782	(229)	(1,479)
Foreign	(2,725)	107	513
	$ 9,679	$ 18,823	$ (4,170)
	$ 43,583	$155,337	$153,349

Reconciliation of the U.S. statutory tax rate with our effective tax rate is summarized as follows:

	Fiscal		
	2011	2010	2009
Federal statutory rate	35.0%	35.0%	35.0%
Increase (decrease) in tax resulting from:			
State income taxes, net of federal tax benefit, before valuation allowance	3.9	4.6	4.6
State income tax valuation allowance	1.2	-	(0.1)
Other	(1.6)	0.6	0.6
Effective rate	38.5%	40.2%	40.1%

The components of the net deferred income tax assets and liabilities are as follows (in thousands):

	January 28, 2012	January 29, 2011
Current:		
Inventory	$ (786)	$ 2,308
Unredeemed gift cards	2,040	1,637
Accrued compensation	3,377	7,189
Retirement benefit plan liabilities	-	599
Net operating loss carry-back	1,803	-
Other	972	1,853
Net current deferred tax assets	$ 7,406	$ 13,586

Non-current:		
Furniture, equipment and improvements	$ (34,636)	$ (26,748)
Retirement benefit plan liabilities	5,372	4,194
Stock-based compensation	7,347	8,236
Deferred rent and tenant allowances	7,673	3,075
Net operating loss carry-forwards (“NOL's”)	3,248	2,623
Valuation allowance for NOL's	(1,248)	(196)
Other	1,789	1,450
Net non-current deferred tax liabilities	(10,455)	(7,366)
Net deferred income tax (liabilities) assets	$ (3,049)	$ 6,220

As of January 28, 2012, we had approximately $87.2 million of domestic state and Canadian NOL's that will expire between 2016 and 2032. Accordingly, we recorded deferred tax assets for the net operating loss carrybacks and carryforwards, before valuation allowance of $5.1 million as of January 28, 2012. Additionally, as of January 28, 2012, we recorded a valuation allowance of $1.4 million against deferred tax assets including certain of these state NOL's. The increase in the valuation allowance from the prior year is primarily due to additional state NOL's generated in standalone states in fiscal 2011. Subsequent recognition of these deferred tax assets that were previously reduced by the valuation allowance would result in an income tax benefit in the period of such recognition.

We have not recognized any United States (“U.S.”) tax expense on undistributed foreign earnings as they are intended to be indefinitely reinvested outside of the U.S. income (loss) derived from foreign jurisdictions is not material to the consolidated financial statements. In addition, there were no significant undistributed earnings at January 28, 2012.

We follow the provisions of FASB ASC Topic 740, “Income Taxes” (“ASC 740”), which clarifies the accounting and disclosure for uncertainty in income taxes. Uncertain tax position liabilities, inclusive of interest and penalty, were $3.9 million as of January 28, 2012, $4.3 million as of January 29, 2011 and $4.9 million as of January 30, 2010. Reversal of these liabilities, along with reversal of related deferred tax assets, would favorably impact our effective tax rate.

The amount of unrecognized tax benefits relating to our tax positions is subject to change based on future events including, but not limited to, the settlements of ongoing audits and/or the expiration of applicable statues of limitations. Although the outcomes and timing of such events are highly uncertain, we anticipate that the balance of the liability for unrecognized tax benefits and related deferred tax assets will decrease by a net of approximately $0.8 million during the next twelve months. However, changes in the occurrence, expected outcomes and timing of those events could cause our current estimate to change materially in the future. Our portion of gross unrecognized tax benefits that would affect our effective tax rate, including interest and penalties, is $3.9 million.

We recognize interest and, if applicable, penalties, which could be assessed, related to uncertain tax positions in income tax expense. We were not required to record additional interest and penalties in fiscal 2011. We recorded approximately $(0.5) million and $0.9 million in additional interest and penalties, before federal and, if applicable, state tax effect in fiscal 2010 and 2009, respectively. We had liabilities for accrued interest and penalties of $1.1 million as of January 28, 2012 and $1.1 million as of January 29, 2011.

Below is a reconciliation of the beginning and ending amount of the gross unrecognized tax benefits relating to uncertain tax positions, which are recorded in our Consolidated Balance Sheets.

	Unrecognized Tax Benefits
	(In thousands)
Balance at January 31, 2009	$ 1,937
Increases due to tax positions related to prior years	1,312
Increases due to tax positions related to current year	139

Decreases due to tax positions related to prior years		(20)
Decreases due to expiration of statute of limitations		(84)
Balance at January 30, 2010	$	3,284
Increases due to tax positions related to prior years		1,317
Increases due to tax positions related to current year		131
Decreases due to settlements with taxing authorities		(1,504)
Balance at January 29, 2011	$	3,228
Increases due to tax positions related to prior years		165
Decreases due to tax positions related to prior years		(6)
Decreases due to lapse of statute of limitations		(347)
Decreases due to settlements with taxing authorities		(227)
Balance at January 28, 2012	$	2,813

We file U.S. and Canadian federal, various state and provincial income tax returns. Our U.S. federal filings for the years 2006 through 2008 were examined by the IRS and were settled and we paid approximately $0.7 million relating to this settlement in the fourth quarter of fiscal 2010. This liability was included in the above balance of uncertain tax position liabilities at January 30, 2010. The examination liability related to the timing of taxable revenue from unredeemed gift cards. Certain tax returns remain open for examination generally for our 2007 through 2010 tax years by various taxing authorities. However, certain states may keep their statute open for six to ten years.

CONSOLIDATED STATEMENTS OF INCOME (USD $) In Thousands, except Per Share data, unless otherwise specified	12 Months Ended		
	Jan. 28, 2012	Jan. 29, 2011	Jan. 30, 2010
CONSOLIDATED STATEMENTS OF INCOME [Abstract]			
Net sales	$ 2,342,260	$ 2,400,434	$ 2,230,105
Cost of sales (includes certain buying, occupancy and warehousing expenses)	1,733,916	1,514,272	1,382,958
Gross profit	608,344	886,162	847,147
Selling, general and administrative expenses	494,829	499,368	464,462
Income from operations	113,515	386,794	382,685
Interest (expense) income	(417)	(118)	121
Income before income taxes	113,098	386,676	382,806
Income taxes	43,583	155,337	153,349
Net income	$ 69,515	$ 231,339	$ 229,457
Basic earnings per common share (in dollars per share)	$ 0.86	$ 2.52	$ 2.30
Diluted earnings per common share (in dollars per share)	$ 0.85	$ 2.49	$ 2.27
Weighted average basic shares (in shares)	81,208	91,700	99,629
Weighted average diluted shares (in shares)	81,811	92,762	101,025

Fixtures, Equipment and Improvements	12 Months Ended Jan. 28, 2012
Fixtures, Equipment and Improvements [Abstract]	
Fixtures, Equipment and Improvements	**4. Fixtures, Equipment and Improvements** Fixtures, equipment and improvements consist of the following (in thousands):

	January 28, 2012	January 29, 2011
Leasehold improvements	$351,150	$321,853
Fixtures and equipment	148,709	134,787
Computer equipment and software	101,082	86,687
Construction in progress	1,397	5,182
	602,338	548,509
Less accumulated depreciation and amortization	314,945	249,267
	$287,393	$299,242

Depreciation and amortization expense was $65.1 million in fiscal 2011, $58.0 million in fiscal 2010, and $49.9 million in fiscal 2009.

Stockholders' Equity	12 Months Ended Jan. 28, 2012

Stockholders' Equity [Abstract]

Stockholders' Equity

3. Stockholders' Equity

Stock Repurchase Program

We repurchase our common stock from time to time under a stock repurchase program. The repurchase program may be modified or terminated by the Board of Directors at any time, and there is no expiration date for the program. The extent and timing of repurchases will depend upon general business and market conditions, stock prices, opening and closing of the stock trading window, and liquidity and capital resource requirements going forward.

During fiscal 2011, we repurchased 4.2 million shares for $100.1 million, which were purchased during the first quarter. During fiscal 2010 and 2009, we repurchased 10.3 million shares for $257.5 million and 7.6 million shares for $174.3 million, respectively.

Program to date, we repurchased 57.1 million shares for $1.0 billion, at an average price of $17.57 per share. As of January 28, 2012, we have approximately $145.2 million of repurchase authorization remaining under our $1.15 billion share repurchase program.

Retirement of Treasury Stock

In October 2010, we retired 47.5 million shares of our treasury stock. These shares remain as authorized stock; however they are now considered unissued. In accordance with ASC Topic 505, "Equity" ("ASC 505"), the treasury stock retirement resulted in a reduction of the following on our consolidated balance sheet: common stock by $0.4 million, treasury stock by $764.8 million and retained earnings by $764.4 million. There was no effect on total stockholders' equity position as a result of the retirement.

Accumulated Other Comprehensive Loss

The following table sets forth the components of accumulated other comprehensive loss (in thousands):

	January 28, 2012	January 29, 2011
Pension liability, net of tax	$ (3,358)	$ (2,823)
Cumulative foreign currency translation adjustment[1]	2,519	2,380
Total accumulated other comprehensive loss	$ (839)	$ (443)

[1] Foreign currency translation adjustments are not adjusted for income taxes as they relate to a permanent investment in our subsidiary in Canada.

Summary of Significant Accounting Policies (Tables)	12 Months Ended Jan. 28, 2012

Summary of Significant Accounting Policies [Abstract]

Estimated Useful Lives of Fixtures, Equipment and Improvements

Depreciation and amortization are provided for by the straight-line method over the following estimated useful lives:

Fixtures and equipment	10 years
Leasehold improvements	Lesser of useful lives or lease term
Computer equipment	5 years
Software	3 years

Schedule of Revenue and Long-Lived Assets, by Geographical Areas

The following tables present summarized geographical information (in thousands):

	Fiscal 2011	Fiscal 2010	Fiscal 2009
Net sales:			
United States[1]	$2,214,176	$2,281,421	$2,141,247
Canada	128,084	119,013	88,858
Total net sales	$2,342,260	$2,400,434	$2,230,105

[1] Amounts represent sales from U.S. and Puerto Rico retail stores, as well as e-commerce sales, that are billed to and/or shipped to foreign countries and licensing revenue.

	January 28, 2012	January 29, 2011
Long-lived assets, net:		
United States	$ 260,112	$ 269,447
Canada	27,281	29,795
Total long-lived assets, net	$ 287,393	$ 299,242

Sales Mix By Merchandise Category

Our consolidated net sales mix by merchandise category was as follows:

Merchandise Categories	Fiscal 2011	Fiscal 2010	Fiscal 2009
Young Women's	66%	69%	70%
Young Men's	34	31	30
Total Merchandise Sales	100%	100%	100%

Commitments and Contingencies	12 Months Ended Jan. 28, 2012
Commitments and Contingencies [Abstract]	
Commitments and Contingencies	

11. Commitments and Contingencies

Leases - We are committed under non-cancelable leases for our entire store, distribution centers and office space locations, which generally provide for minimum rent plus additional increases in real estate taxes and certain operating expenses. Certain leases also require contingent rent based on sales.

The aggregate minimum annual real estate rent commitments as of January 28, 2012 are as follows (in thousands):

Due in Fiscal Year	Total
2012	$ 137,554
2013	131,604
2014	121,454
2015	108,406
2016	94,589
Thereafter	380,905
Total	$ 974,512

Additionally, as of January 28, 2012, we were committed to equipment leases in aggregate of $7.8 million through fiscal 2014.

Rental expense consists of the following (in thousands):

	Fiscal		
	2011	2010	2009
Minimum rentals for stores	$130,414	$112,872	$97,889
Contingent rentals	18,770	24,396	23,809
Office space rentals	5,017	3,945	3,921
Distribution centers rentals	3,229	3,213	3,181
Equipment rentals	3,683	4,075	3,070

Employment Agreements - We have employment agreements with Thomas P. Johnson, our Chief Executive Officer and Michael J. Cunningham, our President. The total contractual commitment for these agreements combined is $3.9 million as of January 28, 2012.

Additionally, we have contingent bonus compensation agreements with certain of our employees. The bonuses become payable if the individual is employed by us on the future payment date. The amount of conditional bonuses that may be paid is $1.9 million during fiscal 2012 and $0.5 million during fiscal 2013.

Legal Proceedings - In October 2011, Aéropostale, Inc. and senior executive officers Thomas P. Johnson and Marc D. Miller were named as defendants in an action amended in February 2012, *City of Providence* v. *Aéropostale, Inc., et al.*, No. 11-7132, a class action lawsuit alleging violations of the federal securities laws. The lawsuit was filed in New York federal court on behalf of purchasers of Aéropostale securities between March 11, 2011 and August 18, 2011. The lawsuit alleges that the defendants made materially false and misleading statements regarding the Company's business and prospects and failed to disclose that Aéropostale was experiencing declining demand for its women's fashion division and increasing inventory. All defendants moved to dismiss this action on March 12, 2012. In the opinion of management, disposition of this matter is not expected to have a material effect on the Company's financial positions, results of operations or cash flows. We are vigorously defending this matter.

Also in October 2011, Aéropostale directors and/or senior executive officers Julian R. Geiger, Ronald R. Beegle, Robert B. Chavez, Michael J. Cunningham, Evelyn Dilsaver, John Haugh, Karin Hirtler-Garvey, John D. Howard, Thomas P. Johnson, and David B. Vermylen were named as defendants in *Bell* v. *Geiger, et al.*, No. 652931/2011, a shareholder lawsuit filed in New York state court seeking relief derivatively on behalf of Aéropostale. The action alleges that the defendants breached their fiduciary duties to Aéropostale between February 3, 2011 and August 3, 2011 by failing to establish and maintain internal controls that would have prevented the Company from disseminating allegedly false and misleading and inaccurate statements and other information to shareholders, and to manage and oversee the Company. As a result, plaintiff alleges that the defendants exposed the Company to potential liability in the federal securities class action lawsuit described above. A motion to dismiss this action was filed on December 16, 2011.

In January 2012, Sajid Karsan, who identifies himself as a stockholder of Aéropostale, demanded that the Aéropostale Board of Directors conduct a thorough investigation concerning possible claims for breach of fiduciary duty, insider trading, abuse of control, gross mismanagement, and unjust enrichment against the following directors and officers: Thomas P. Johnson, Marc D. Miller, Julian R. Geiger, Ronald R. Beegle, Robert B. Chavez, Michael J. Cunningham, Evelyn Dilsaver, John Haugh, Karin Hirtler-Garvey, John D. Howard, David B. Vermylen, Ross Citta, Mindy Meads, Mary Pile, Barbara Pindar, and Edward Slezak. Karsan demanded that this investigation be conducted by unbiased and disinterested individuals, that the results of the investigation be made available, that persons involved in the investigation be identified, and that a lawsuit be filed on behalf of Aéropostale against each of the named individuals, if warranted.

In February 2012, current and former Aéropostale directors and/or senior executive officers Mindy Meads, Bodil Arlander, Julian Geiger, Karin Hirtler-Garvey, Ronald Beegle, Robert Chavez, Michael Cunningham, Evelyn Dilsaver, John Haugh, John Howard, Thomas Johnson, Arthur Rubinfeld, and David Vermylen were named as defendants in *The Booth Family Trust v. Meads, et al.*, No. 650594/2012, a shareholder lawsuit filed in New York state court, seeking relief derivatively on behalf of Aéropostale. As in *Bell*, this action alleges that the defendants breached their fiduciary duties to Aéropostale by failing to establish and maintain internal controls that would have prevented the Company from disseminating allegedly false and misleading and inaccurate statements and other information to shareholders, and to manage and oversee the Company. As a result, and as in *Bell*, plaintiff alleges that the defendants have exposed the Company to losses and damages, including civil liability from the securities class action suit described above.

We are also party to various litigation matters and proceedings in the ordinary course of business. In the opinion of our management, dispositions of these matters are not expected to have a material effect on our financial position, results of operations or cash flows.

Guarantees - In August 2011, we entered into a new three-year sourcing agreement with one of our sourcing agents. The sourcing agreement may be terminated at any time during the term by mutual agreement of the parties and provided that appropriate notice is given in accordance with the agreement. In connection with the sourcing agreement, we have a guaranteed minimum product purchase commitment of $350.0 million that is measured over any consecutive two-year period during the term of the agreement. If we purchase less than this amount over the two-year measurement period, then we will be obligated to pay the contracted commission on the shortfall from the guaranteed minimum. As of January 28, 2012, we expect to meet our minimum product purchase commitment. In addition, if we were to cancel purchase orders with this sourcing agent, we may have to reimburse the agent for costs and expenses, if any, that it had incurred. We had not issued any other third party guarantees or commercial commitments as of January 28, 2012.

Earnings Per Share	12 Months Ended Jan. 28, 2012
Earnings Per Share [Abstract]	
Earnings Per Share	**7. Earnings Per Share**

In accordance with ASC 260, basic earnings per share has been computed based upon the weighted average of common shares during the applicable fiscal year. Diluted net income per share includes the additional dilutive effect of our potentially dilutive securities, which include certain stock options, restricted stock units and performance shares.

Earnings per common share has been computed as follows (in thousands, except per share data):

	Fiscal		
	2011	**2010**	**2009**
Net income	$69,515	$231,339	$229,457
Weighted average basic shares	81,208	91,700	99,629
Impact of dilutive securities	603	1,062	1,396
Weighted average diluted shares	81,811	92,762	101,025
Per common share:			
Basic earnings per share	$ 0.86	$ 2.52	$ 2.30
Diluted earnings per share	$ 0.85	$ 2.49	$ 2.27

Options to purchase 315,977 shares in fiscal 2011 and 6,000 shares in fiscal 2009 were excluded from the computation of diluted earnings per share because the exercise prices of the options were greater than the average market price of the common shares. All options to purchase shares were included in the computation of diluted earnings per share during fiscal 2010.

Accrued Expenses	12 Months Ended Jan. 28, 2012
Accrued Expenses [Abstract]	
Accrued Expenses	**5. Accrued Expenses**

Accrued expenses consist of the following (in thousands):

	January 28, 2012	January 29, 2011
Accrued gift cards	$ 27,897	$ 27,673
Accrued compensation	14,107	23,838
Accrued rent	12,027	16,225
Income taxes payable	1,315	10,047
Other	34,389	35,305
	$ 89,735	$113,088

Revolving Credit Facility	12 Months Ended Jan. 28, 2012
Revolving Credit Facility [Abstract]	
Revolving Credit Facility	**6. Revolving Credit Facility** On September 22, 2011, we entered into an amended and restated revolving credit facility with Bank of America, N.A., as agent for the lenders (the "Credit Facility"). The Credit Facility provides for a revolving credit line with up to $175.0 million in borrowing capacity. The Credit Facility is available for working capital and general corporate purposes, including the repurchase of our capital stock and for our capital expenditures. The Credit Facility is scheduled to expire on September 22, 2016 and is guaranteed by all of our domestic subsidiaries (the "Guarantors"). The Credit Facility replaces the existing facility that provided for up to $150.0 million revolving credit line and was scheduled to expire on November 13, 2012 (the "Prior Credit Facility"). Loans under the Credit Facility are secured by all our assets and are guaranteed by the Guarantors. Upon the occurrence of a Cash Dominion Event (as defined in the Credit Facility and includes either any event of default or failure to maintain availability in an amount greater than 12.5% of the lesser of the borrowing base and facility commitment) our ability to borrow funds, make investments, pay dividends and repurchase shares of our common stock would be limited, among other limitations. Direct borrowings under the Credit Facility bear interest at a margin over either LIBOR or at the Prime Rate (as each such term is defined in the Credit Facility). The Credit Facility also contains covenants that, subject to specified exceptions, restrict our ability to, among other things: • incur additional debt or encumber assets of the Company; • merge with or acquire other companies, liquidate or dissolve; • sell, transfer, lease or dispose of assets; and • make loans or guarantees. Events of default under the Credit Facility include, subject to grace periods and notice provisions in certain circumstances, failure to pay principal amounts when due, breaches of covenants, misrepresentation, default on leases or other indebtedness, excess uninsured casualty loss, excess uninsured judgment or restraint of business, business failure or application for bankruptcy, institution of legal process or proceedings under federal, state or civil statutes, legal challenges to loan documents and a change in control. If an event of default occurs, the Lender will be entitled to take various actions, including the acceleration of amounts due thereunder and requiring that all such amounts be immediately paid in full as well as possession and sale of all assets that have been used as collateral. Upon the occurrence of an event of default under the Credit Facility, the lender may cease making loans, terminate the Credit Facility and declare all amounts outstanding to be immediately due and payable. Upon the occurrence of our loan availability under the Credit Facility decreasing below 10% of the lesser of the borrowing base and the dollar amount of commitments under the Credit

Facility, we would be required to meet a financial covenant for a Minimum Consolidated Fixed Charge Coverage Ratio of not less than 1.0 to 1.0.

As of January 28, 2012, we are not aware of any instances of noncompliance with any covenants or any other event of default under the Credit Facility. During fiscal 2011 and as of January 28, 2012, we had no outstanding balances or stand-by or commercial letters of credit issued under the Prior Credit Facility or the Credit Facility.

Stock-Based Compensation	12 Months Ended Jan. 28, 2012

Stock-Based Compensation [Abstract]

Stock-Based Compensation

8. Stock-Based Compensation

Under the provisions of ASC 718, all forms of share-based payment to employees and directors, including stock options, must be treated as compensation and recognized in the income statement.

Non-Vested Stock

Certain of our employees and all of our directors have been awarded non-vested stock, pursuant to non-vested stock agreements. The non-vested stock awarded to employees generally cliff vests after up to three years of continuous service with us. All non-vested stock immediately vests upon a change in control of the Company. Grants of non-vested stock awarded to directors vest in full after one-year.

The following table summarizes non-vested shares of stock outstanding at January 28, 2012:

	Shares	Weighted-Average Grant-Date Fair Value
	(In thousands)	
Outstanding as of January 30, 2011	753	$ 22.22
Granted	762	$ 20.31
Vested	(343)	$ 23.12
Cancelled	(36)	$ 22.29
Outstanding as of January 28, 2012	1,136	$ 20.66

Total compensation expense is being amortized over the vesting period. Compensation expense was $9.2 million for fiscal 2011, $7.5 million for fiscal 2010 and $8.1 million for fiscal 2009. As of January 28, 2012, there was $10.7 million of unrecognized compensation cost related to non-vested stock awards that is expected to be recognized over the weighted average period of one year. The total fair value of shares vested was $7.9 million during fiscal 2011, $7.4 million during fiscal 2010 and $8.2 million during fiscal 2009.

Performance Shares

Certain of our executives have been awarded performance shares, pursuant to performance shares agreements. The performance shares vest at the end of three years of continuous service with us, and the number of shares ultimately awarded is contingent upon meeting various cumulative consolidated earnings targets. All performance shares immediately vest upon a change in control of the Company. Compensation cost for the performance shares are periodically reviewed and adjusted based upon the probability of achieving certain performance goals targets. If the probability of achieving targets changes, compensation cost will be adjusted in the period that the probability of achievement changes.

The following table summarizes performance shares of stock outstanding at January 28, 2012:

	Shares	Weighted-Average Grant-Date Fair Value
	(In thousands)	
Outstanding as of January 30, 2011	422	$ 18.44
Granted	-	-
Vested	(114)	$ 18.86
Cancelled	(96)	$ 21.93
Outstanding as of January 28, 2012	212	$ 16.65

Total compensation expense is being amortized over the vesting period. Compensation expense was $0.4 million for fiscal 2011, $2.0 million for fiscal 2010 and $3.9 million in fiscal 2009. As of January 28, 2012, there was $0.2 million of unrecognized compensation cost related to performance shares awards that is expected to be recognized over the weighted average period of less than one year.

Stock Options

We have stock option plans under which we may grant qualified and non-qualified stock options to purchase shares of our common stock to executives, consultants, directors, or other key employees. As of January 28, 2012, a total of 3,668,903 shares were available for future grant under our plans compared to a total of 4,154,784 shares as of January 29, 2011. Stock options may not be granted at less than the fair market value at the date of grant. Stock options generally vest over four years on a pro-rata basis and expire after eight years. All outstanding stock options immediately vest upon (i) a change in control of the Company and (ii) termination of the employee within one year of such change of control. We granted 10,000 options during fiscal 2011. We did not grant any stock options during fiscal 2010 or 2009.

The fair value of options was estimated on the date of grant using the Black-Scholes option-pricing model. The Black-Scholes model requires certain assumptions, including estimating the length of time employees will retain their vested stock options before exercising them ("expected term"), the estimated volatility of our common stock price over the expected term and the number of options that will ultimately not complete their vesting requirements ("forfeitures"). Changes in the subjective assumptions can materially affect the estimate of fair value of stock-based compensation and consequently, the related amount recognized in the consolidated statements of income.

In accordance with the provisions of ASC 718, the fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model based on certain assumptions for the grants in the respective periods.

We have elected to adopt the simplified method to establish the beginning balance of the additional paid-in capital pool (“APIC Pool”) related to the tax effects of employee share-based compensation, and to determine the subsequent impact on the APIC Pool and consolidated statements of cash flows of the tax effects of employee and director share-based awards that were outstanding.

The effects of applying the provisions of ASC 718 and the results obtained through the use of the Black-Scholes option-pricing model are not necessarily indicative of future values.

The following tables summarize stock option transactions for common stock for fiscal 2011:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
	(In thousands)		(In years)	(In millions)
Outstanding as of January 30, 2011	746	$ 15.68		
Granted	10	$ 16.72		
Exercised	(110)	$ 13.52		
Cancelled[1]	(53)	$ 18.40		
Outstanding as of January 28, 2012	593	$ 15.86	2.70	$ 0.9
Options vested and expected to vest [2] at January 28, 2012	591	$ 15.86	2.70	$ 0.9
Exercisable as of January 28, 2012	562	$ 15.73	2.55	$ 0.9

[1] The number of options cancelled includes approximately 52,000 expired shares.

[2] The number of options expected to vest takes into consideration estimated expected forfeitures.

We recognized $(0.2) million in compensation expense related to stock options in fiscal 2011, $2.0 million in fiscal 2010 and $2.7 million in fiscal 2009. The intrinsic value of options exercised was $0.4 million in fiscal 2011, $5.7 million in fiscal 2010, and $8.0 million in fiscal 2009.

The following tables summarize information regarding non-vested outstanding stock options as of January 28, 2012:

	Shares	Weighted Average Grant-Date Fair Value
	(In thousands)	
Non-vested as of January 30, 2011	187	$ 8.19
Granted	10	$ 6.43
Vested	(165)	$ 8.19
Cancelled	(1)	$ 8.29
Non-vested as of January 28, 2012	31	$ 7.60

As of January 28, 2012, there was $0.1 million of total unrecognized compensation cost related to non-vested options that we expect to be recognized over the remaining weighted average vesting period of two years.

Summary of Significant Accounting Policies (Details) (USD $)	3 Months Ended								12 Months Ended			48 Months Ended
	Jan. 28, 2012	Oct. 29, 2011	Jul. 30, 2011	Apr. 30, 2011	Jan. 29, 2011	Oct. 30, 2010	Jul. 31, 2010	May 01, 2010	Jan. 28, 2012	Jan. 29, 2011	Jan. 30, 2010	Jan. 29, 2011
Organization [Abstract]												
Number of Aeropostale stores	986								986			
Number of Aeropostale stores in 49 states and Puerto Rico	918								918			
Number of states with Aeropostale stores	50								50			
Number of Aeropostale stores in Canada	68								68			
Number of P.S. from Aeropostale stores	71								71			
Number of states with P.S. from Aeropostale stores	20								20			
Number of stores operated by international licensees	14								14			
Number of stores expected to be operated by additional international licensee	30								30			
Period when stores are expected to open in Turkey (in years)									5Y			
Concentration of Credit Risk [Abstract]												
Percentage of merchandise sourced to top five merchandise vendors (in hundredths)	87.00%				85.00%				87.00%	85.00%		85.00%
Translation of Foreign Currency Financial Statements and Foreign Currency Transactions [Abstract]												
Unrealized foreign currency adjustment	$ 2,500,000				$ 2,400,000				$ 2,500,000	$ 2,400,000		$ 2,400,000
Merchandise Inventory [Abstract]												
Inventory adjustments	14,800,000				12,000,000				14,800,000	12,000,000		12,000,000
Vendor Rebates [Abstract]												
Vendor rebates recorded as reduction of merchandise inventory									2,100,000	1,800,000		
Vendor rebates recorded as reduction of cost of sales									13,000,000	10,200,000	8,800,000	
Gift Cards [Abstract]												
Net sales related to gift card breakage income									5,600,000	5,800,000	4,000,000	
Cost of Sales [Abstract]												
Benefit from resolution of dispute with sourcing agent			8,700,000						8,700,000			8,000,000
Self-Insurance [Abstract]												
Self-insurance liabilities	4,800,000								4,800,000		5,100,000	
Workers compensation claims paid									800,000	800,000	700,000	
Employee medical claims paid									13,800,000	13,200,000	11,800,000	
Marketing Costs [Abstract]												
Marketing costs expensed									11,800,000	9,700,000	8,500,000	
Segment Reporting [Abstract]												
Percentage of licensing revenue (in hundredths)	less than 1%								less than 1%			
Revenues from External Customers and Long-Lived Assets [Line Items]												
Net sales	808,380,000	596,506,000	468,191,000	469,183,000	839,331,000	602,756,000 [1]	494,706,000	463,641,000	2,342,260,000	2,400,434,000	2,230,105,000	
Long-lived assets, net	287,393,000				299,242,000				287,393,000	299,242,000		299,242,000
Percentage of merchandise sales (in hundredths)	100.00%				100.00%				100.00%	100.00%	100.00%	100.00%
Young Womens [Member]												
Revenues from External Customers and Long-Lived Assets [Line Items]												
Percentage of merchandise sales (in hundredths)	66.00%				69.00%				66.00%	69.00%	70.00%	69.00%
Young Mens [Member]												
Revenues from External Customers and Long-Lived Assets [Line Items]												

Percentage of merchandise sales (in hundredths)	34.00%	31.00%	34.00%	31.00%	30.00%	31.00%
United States [Member]						
Revenues from External Customers and Long-Lived Assets [Line Items]						
Net sales			2,214,176,000	2,281,421,000 [2]	2,141,247,000 [2]	
Long-lived assets, net	260,112,000	269,447,000	260,112,000	269,447,000		269,447,000
Canada [Member]						
Revenues from External Customers and Long-Lived Assets [Line Items]						
Net sales			128,084,000	119,013,000	88,858,000	
Long-lived assets, net	$ 27,281,000	$ 29,795,000	$ 27,281,000	$ 29,795,000		$ 29,795,000
Fixtures and Equipment [Member]						
Property, Plant and Equipment [Line Items]						
Useful life, (in years)			10			
Leasehold Improvements [Member]						
Property, Plant and Equipment [Line Items]						
Useful life			Lesser of useful lives or lease term			
Computer Equipment [Member]						
Property, Plant and Equipment [Line Items]						
Useful life, (in years)			5			
Software [Member]						
Property, Plant and Equipment [Line Items]						
Useful life, (in years)			3			

[1] Net income and earnings per share include a charge of $6.4 million ($3.9 million after tax, or $0.04 per diluted share) resulting from a retirement plan settlement payment that was recorded during the third quarter of fiscal 2010.

[2] Amounts represent sales from Aéropostale U.S. retail stores, as well as e-commerce sales, that are billed to and/or shipped to foreign countries and licensing revenue.

SCHEDULE II-VALUATION AND QUALIFYING ACCOUNTS	12 Months Ended
	Jan. 28, 2012
SCHEDULE II-VALUATION AND QUALIFYING ACCOUNTS [Abstract]	
SCHEDULE II-VALUATION AND QUALIFYING ACCOUNTS	

SCHEDULE II

VALUATION AND QUALIFYING ACCOUNTS

Reserve for Sales Returns:	Balance Beginning of Period	Amounts Charged to Net Income	Write-offs Against Reserve	Balance End of Period
		(In thousands)		
Year Ended January 28, 2012	$ 725	$ 662	$ 711	$ 676
Year Ended January 29, 2011	$ 892	$ 526	$ 693	$ 725
Year Ended January 30, 2010	$ 852	$ 802	$ 762	$ 892

Valuation Allowance for State Deferred Tax Assets:	Balance Beginning of Period	Amounts Charged to Net Income	Write-offs Against Reserve	Balance End of Period
		(In thousands)		
Year Ended January 28, 2012	$ 196	$ 1,216	$ -	$ 1,412
Year Ended January 29, 2011	$ 281	$ 12	$ 97	$ 196
Year Ended January 30, 2010	$ 551	$ (270)	$ -	$ 281

Fixtures, Equipment and Improvements (Tables)	12 Months Ended Jan. 28, 2012
Fixtures, Equipment and Improvements [Abstract]	
Fixtures, Equipment and Improvements	Fixtures, equipment and improvements consist of the following (in thousands):

	January 28, 2012	January 29, 2011
Leasehold improvements	$351,150	$321,853
Fixtures and equipment	148,709	134,787
Computer equipment and software	101,082	86,687
Construction in progress	1,397	5,182
	602,338	548,509
Less accumulated depreciation and amortization	314,945	249,267
	$287,393	$299,242

Stock-Based Compensation (Details) (USD $) In Millions, except Share data, unless otherwise specified	12 Months Ended								
	Jan. 28, 2012 Non-vested stock [Member]	Jan. 29, 2011 Non-vested stock [Member]	Jan. 31, 2009 Non-vested stock [Member]	Jan. 28, 2012 Performance Shares [Member]	Jan. 29, 2011 Performance Shares [Member]	Jan. 30, 2010 Performance Shares [Member]	Jan. 28, 2012 Stock Options [Member]	Jan. 29, 2011 Stock Options [Member]	Jan. 30, 2010 Stock Options [Member]
Share-based Compensation Arrangement by Share-based Payment Award [Line Items]									
Vesting period, maximum (in years)	3Y			3Y			4Y		
Vesting period for subsequent grants of non-vested stock to directors (in years)	1Y								
Share-based compensation arrangement by share-based payment award equity instruments other than options, non-vested [Roll Forward]									
Shares outstanding beginning balance (in shares)	753,000			422,000					
Shares granted (in shares)	762,000			0					
Shares vested (in shares)	(343,000)			(114,000)					
Shares cancelled (in shares)	(36,000)			(96,000)					
Shares outstanding ending balance (in shares)	1,136,000	753,000		212,000	422,000				
Shares outstanding weighted-average grant-date fair value beginning balance (in dollars per share)	$ 22.22			$ 18.44					
Shares granted weighted-average grant-date fair value (in dollars per share)	$ 20.31			$ 0					
Shares vested weighted-average grant-date fair value (in dollars per share)	$ 23.12			$ 18.86					
Shares cancelled weighted-average grant-date fair value (in dollars per share)	$ 22.29			$ 21.93					
Shares outstanding weighted-average grant-date fair value ending balance (in dollars per share)	$ 20.66	$ 22.22		$ 16.65	$ 18.44				
Compensation expense	$ 9.2	$ 7.5	$ 8.1	$ 0.4	$ 2.0	$ 3.9	$ (0.2)	$ 2.0	$ 2.7
Unrecognized compensation cost	10.7			0.2			0.1		
Maximum recognition period for unrecognized compensation cost (in years)	1			1			2		
Total fair value of shares vested	7.9	7.4	8.2						
Shares available for future grant (in shares)							3,668,903	4,154,784	
Expiration period, minimum (in years)							8Y		

Share-based Compensation Arrangement by Share-based Payment Award Options Outstanding Number [Roll Forward]			
Options outstanding beginning balance (in shares)	746,000		
Options granted (in shares)	10,000		
Options exercised (in shares)	(110,000)		
Options cancelled (in shares)	(53,000)		
Options outstanding ending balance (in shares)	593,000		746,000
Options vested and expected to vest (in shares)	591,000	[1]	
Options exercisable (in shares)	562,000		
Weighted average exercise price options outstanding beginning balance (in dollars per share)	$ 15.68		
Weighted average exercise price options granted (in dollars per share)	$ 16.72		
Weighted average exercise price options exercised (in dollars per share)	$ 13.52		
Weighted average exercise price options cancelled (in dollars per share)	$ 18.40		
Weighted average exercise price options outstanding ending balance (in dollars per share)	$ 15.86		$ 15.68
Weighted average exercise price options vested and expected to vest (in dollars per share)	$ 15.86	[1]	
Weighted average exercise price options exercisable (in dollars per share)	$ 15.73		
Weighted average remaining contractual term options outstanding (in years)	2.70		
Weighted average remaining contractual term options vested and expected to vest (in years)	2.70	[1]	
Weighted average remaining contractual term options exercisable (in years)	2.55		
Aggregate intrinsic value options outstanding	0.9		
Aggregate intrinsic value options vested and expected to vest	0.9	[1]	
Aggregate intrinsic value options exercisable	0.9		
Number of expired shares included in number of options cancelled (in shares)	52,000		

Intrinsic value of options exercised	$ 0.4	$ 5.7	$ 8.0
Non-vested outstanding stock options [Roll Forward]			
Non-vested stock options beginning balance (in shares)	187,000		
Non-vested stock options granted (in shares)	10,000		
Non-vested stock options vested (in shares)	(165,000)		
Non-vested stock options cancelled (in shares)	(1,000)		
Non-vested stock options ending balance (in shares)	31,000	187,000	
Non-vested stock options weighted average grant-date fair value beginning balance (in dollars per share)	$ 8.19		
Non-vested stock options granted weighted average grant-date fair value (in dollars per share)	$ 6.43		
Non-vested stock options vested weighted average grant-date fair value (in dollars per share)	$ 8.19		
Non-vested stock options cancelled weighted average grant-date fair value (in dollars per share)	$ 8.29		
Non-vested stock options weighted average grant-date fair value ending balance (in dollars per share)	$ 7.60	$ 8.19	

[1] The number of options expected to vest takes into consideration estimated expected forfeitures.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (USD $) In Thousands, unless otherwise specified	12 Months Ended		
	Jan. 28, 2012	Jan. 29, 2011	Jan. 30, 2010
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME [Abstract]			
Net income	$ 69,515	$ 231,339	$ 229,457
Pension liability, net of tax	(535)	4,219	(712)
Foreign currency translation adjustment	139	2,331	2,717
Comprehensive income	$ 69,119	$ 237,889	$ 231,462

Asset Impairment	12 Months Ended Jan. 28, 2012
Tangible Asset Impairment Charges [Abstract]	
Asset Impairment	**2. Asset Impairment** We have recorded store impairments of $16.0 million in fiscal 2011 for 39 stores. Of this charge, $1.2 million was recorded during the third quarter of fiscal 2011 for three stores and $14.8 million was recorded during the fourth quarter of fiscal 2011 for 36 stores. We recorded store impairments of $0.7 million in fiscal 2010 for one store and $3.0 million in fiscal 2009 for six stores. These charges were included in cost of sales. These amounts include the write-down of long-lived assets at stores that were assessed for impairment because of changes in circumstances that indicated the carrying value of an asset may not be recoverable or management's intention to relocate or close the stores. Impairment charges were primarily related to revenues not meeting targeted levels at the respective stores as a result of macroeconomic conditions, location related conditions and other factors that are negatively impacting the sales and cash flows of these locations. Long-lived assets are measured at fair value on a nonrecurring basis for purposes of calculating impairment using Level 3 inputs as defined in the fair value hierarchy as described in note 1. The fair value of long-lived assets is determined by estimating the amount and timing of net future discounted cash flows. We estimate future cash flows based on our experience, current trends and local market conditions. The table below sets forth by level within the fair value hierarchy the fair value of long-lived assets for which an impairment was recognized during the year (in thousands):

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value	Total Losses January 28, 2012
Long-lived assets held and used	$ -	$ -	$ 979	$ 979	$ 16,036

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value	Total Losses January 29, 2011
Long-lived assets held and used	$ -	$ -	$ -	$ -	$ 674

In accordance with the provisions of the Impairment or Disposal of Long-Lived Assets Subsections of ASC 360, long-lived assets held and used with a carrying amount of $17.0 million were written down to their fair value, resulting in an impairment charge of $16.0 million, which was included in earnings for fiscal 2011. For fiscal 2010, long-lived assets held and used with a carrying amount of $0.7 million were written down to zero, which is their fair value, resulting in an impairment charge of $0.7 million, which was included in earnings.

During fiscal 2009, we completed the closure of our 14 store Jimmy'Z concept that was launched in 2005. Inventory, severance and lease termination charges recorded in fiscal 2009 were not material to the consolidated financial statements and all costs associated with closing the Jimmy'Z store were incurred and paid as of January 30, 2010.

Accrued Expenses (Tables)	12 Months Ended Jan. 28, 2012
Accrued Expenses [Abstract]	
Accrued Expenses	Accrued expenses consist of the following (in thousands):

	January 28, 2012	January 29, 2011
Accrued gift cards	$ 27,897	$ 27,673
Accrued compensation	14,107	23,838
Accrued rent	12,027	16,225
Income taxes payable	1,315	10,047
Other	34,389	35,305
	$ 89,735	$113,088

Accrued Expenses (Details) (USD $) In Thousands, unless otherwise specified	Jan. 28, 2012	Jan. 29, 2011
Accrued Expenses [Abstract]		
Accrued gift cards	$ 27,897	$ 27,673
Accrued compensation	14,107	23,838
Accrued rent	12,027	16,225
Income taxes payable	1,315	10,047
Other	34,389	35,305
Total accrued expenses	$ 89,735	$ 113,088

Selected Quarterly Financial Data (Unaudited)	12 Months Ended Jan. 28, 2012
Selected Quarterly Financial Data (Unaudited) [Abstract]	
Selected Quarterly Financial Data (Unaudited)	**12. Selected Quarterly Financial Data (Unaudited)**

The following table sets forth certain unaudited quarterly financial information (in thousands, except per share amounts):

	13 Weeks Ended			
	April 30, 2011	July 30, 2011	October 29, 2011	January 28, 2012
Fiscal 2011				
Net sales	$ 469,183	$468,191	$ 596,506	$ 808,380
Gross profit (1)	136,658	114,035	161,521	196,130
Net income	16,367	2,941	24,108	26,099
Basic earnings per share	0.20	0.04	0.30	0.32
Diluted earnings per share	0.20	0.04	0.30	0.32

	13 Weeks Ended			
	May 1, 2010	July 31, 2010	October 30, 2010 (2)	January 29, 2011
Fiscal 2010				
Net sales	$463,641	$494,706	$ 602,756	$ 839,331
Gross profit	182,819	184,630	220,587	298,126
Net income	45,384	43,600	58,535	83,820
Basic earnings per share (3)	0.48	0.47	0.64	0.96
Diluted earnings per share (3)	0.48	0.46	0.63	0.95

(1) Cost of sales and gross profit reflect asset impairment charges recorded during the fourth quarter of fiscal 2011 of $14.8 million ($9.1 million after tax, or $0.11 per diluted share) and $1.2 million ($0.8 million after tax, or $0.01 per diluted share) in the third quarter of fiscal 2011. During the second quarter of fiscal 2011, we recorded a benefit in cost of sales of $8.7 million ($5.3 million after tax, or $0.06 per diluted share), resulting from the resolution of a dispute with one of our sourcing agents, related to prior period allowances.

(2) Net income and earnings per share include a charge of $6.4 million ($3.9 million after tax, or $0.04 per diluted share) resulting from a retirement plan settlement payment that was recorded during the third quarter of fiscal 2010.

(3) In March 2010, we completed a three-for-two stock split on all shares of our common stock. All share and per share amounts presented in the consolidated financial statements were retroactively adjusted for the common stock split, as were all previously reported periods contained herein.