

CHRISTOPHER & BANKS CORP  
Form 10-Q  
January 05, 2012  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 10-Q**

(Mark One)

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

For the quarterly period ended November 26, 2011

or

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission File Number 001-31390

# CHRISTOPHER & BANKS CORPORATION

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**06 - 1195422**  
(I.R.S. Employer  
Identification No.)

**2400 Xenium Lane North, Plymouth, Minnesota**  
(Address of principal executive offices)

**55441**  
(Zip Code)

**(763) 551-5000**

(Registrant's telephone number, including area code)

**Not Applicable**

(Former name, former address and former fiscal year, if changed since last report)

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

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

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

Large accelerated filer

Accelerated filer

Non-accelerated filer   
(Do not check if a smaller reporting company)

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

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As of December 23, 2011, 36,003,563 shares of the registrant's common stock were outstanding.

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**CHRISTOPHER & BANKS CORPORATION**

**QUARTERLY REPORT ON FORM 10-Q**

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Table of Contents**PART I FINANCIAL INFORMATION****ITEM 1.****FINANCIAL STATEMENTS****CHRISTOPHER & BANKS CORPORATION****CONDENSED CONSOLIDATED BALANCE SHEETS****(In thousands)****(Unaudited)**

	November 26, 2011	February 26, 2011	November 27, 2010
<b><u>ASSETS</u></b>			
Current assets:			
Cash and cash equivalents	\$ 34,495	\$ 43,712	\$ 30,578
Short-term investments	22,242	33,060	53,482
Accounts receivable	7,500	3,967	6,123
Merchandise inventories	58,173	39,211	45,973
Prepaid expenses	4,037	1,989	2,960
Income taxes receivable	997	6,439	3,918
Total current assets	127,444	128,378	143,034
Property, equipment and improvements, net	59,085	76,647	83,955
Long-term investments	17,987	28,824	18,200
Other assets	278	314	314
Total assets	\$ 204,794	\$ 234,163	\$ 245,503
<b><u>LIABILITIES AND STOCKHOLDERS EQUITY</u></b>			
Current liabilities:			
Accounts payable	\$ 32,143	\$ 15,149	\$ 7,803
Accrued salaries, wages and related expenses	5,433	7,883	6,485
Other accrued liabilities	23,110	21,931	20,040
Total current liabilities	60,686	44,963	34,328
Non-current liabilities:			
Deferred lease incentives	14,115	14,982	16,518
Deferred rent obligations	6,528	7,457	7,942
Other	2,842	2,532	3,377
Total non-current liabilities	23,485	24,971	27,837

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Commitments			
Stockholders' equity:			
Preferred stock	\$0.01 par value, 1,000 shares authorized, none outstanding		
Common stock	\$0.01 par value, 74,000 shares authorized, 45,683, 45,432 and 45,438 shares issued and 35,892, 35,641 and 35,647 shares outstanding at November 26, 2011, February 26, 2011 and November 27, 2010, respectively	457	454
Additional paid-in capital		116,927	114,909
Retained earnings		115,886	161,642
Common stock held in treasury, 9,791 shares at cost at November 26, 2011, February 26, 2011, and November 27, 2010, respectively		(112,711)	(112,711)
Accumulated other comprehensive income (loss)		64	(65)
Total stockholders' equity		120,623	164,229
Total liabilities and stockholders' equity	\$	204,794	\$ 234,163
			\$ 245,503

**The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.**

Table of Contents**CHRISTOPHER & BANKS CORPORATION****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(In thousands, except per share data)

(Unaudited)

	<b>Three Months Ended</b>	
	<b>November 26, 2011</b>	<b>November 27, 2010</b>
Net sales	\$ 123,896	\$ 120,947
Costs and expenses:		
Merchandise, buying and occupancy	97,056	77,549
Selling, general and administrative	37,552	37,585
Depreciation and amortization	5,314	6,010
Impairment and restructuring	12,199	
Total costs and expenses	152,121	121,144
Operating loss	(28,225)	(197)
Other income	104	120
Loss before income taxes	(28,121)	(77)
Income tax provision	118	9,149
Net loss	\$ (28,239)	\$ (9,226)
Basic earnings per share:		
Net loss	\$ (0.79)	\$ (0.26)
Basic shares outstanding	35,585	35,379
Diluted earnings per share:		
Net loss	\$ (0.79)	\$ (0.26)
Diluted shares outstanding	35,585	35,379
Dividends per share	\$ 0.06	\$ 0.06

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.



Table of Contents**CHRISTOPHER & BANKS CORPORATION****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(In thousands, except per share data)

(Unaudited)

	<b>Nine Months Ended</b>	
	<b>November 26, 2011</b>	<b>November 27, 2010</b>
Net sales	\$ 343,957	\$ 348,521
Costs and expenses:		
Merchandise, buying and occupancy	246,285	215,941
Selling, general and administrative	107,487	107,579
Depreciation and amortization	17,164	18,974
Impairment and restructuring	12,199	
Total costs and expenses	383,135	342,494
Operating income (loss)	(39,178)	6,027
Other income	259	363
Income (loss) before income taxes	(38,919)	6,390
Income tax provision	412	11,813
Net loss	\$ (39,331)	\$ (5,423)
Basic earnings per share:		
Net loss	\$ (1.11)	\$ (0.15)
Basic shares outstanding	35,542	35,360
Diluted earnings per share:		
Net loss		