
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) May 16, 2017

URBAN OUTFITTERS, INC.

(Exact Name of Registrant as Specified in its Charter)

Pennsylvania
(State or other jurisdiction
of incorporation)

000-22754
(Commission
File Number)

23-2003332
(IRS Employer
Identification No.)

5000 South Broad Street, Philadelphia, PA
(Address of principal executive offices)

19112
(Zip Code)

Registrant's telephone number, including area code (215) 454-5500

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01. Other Events

On May 16, 2017, Urban Outfitters, Inc. (the “Company”) issued an earnings release, which is attached hereto as Exhibit 99.1 and incorporated herein by reference. The earnings release disclosed material non-public information regarding the Company’s earnings for the three months ended April 30, 2017.

Item 9.01. Financial Statements and Exhibits

99.1 Earnings Release dated May 16, 2017 – Operating results for the three months ended April 30, 2017

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

URBAN OUTFITTERS, INC.

Date: May 17, 2017

By: /s/ Francis J. Conforti
Francis J. Conforti
Chief Financial Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
EX-99.1	Earnings Release dated May 16, 2017 – Operating results for the three months ended April 30, 2017

URBAN OUTFITTERS, INC.
First Quarter Results
Philadelphia, PA – May 16, 2017

For Immediate Release

Contact: Oona McCullough
 Director of Investor Relations
 (215) 454-4806

URBN Reports Q1 Results

PHILADELPHIA, PA, May 16, 2017 – Urban Outfitters, Inc. (NASDAQ:URBN), a leading lifestyle products and services company which operates a portfolio of global consumer brands comprised of Anthropologie, BHLDN, Free People, Terrain and Urban Outfitters brands and the Food and Beverage division, today announced net income of \$12 million for the three months ended April 30, 2017. Earnings per diluted share were \$0.10 for the three months ended April 30, 2017.

Total Company net sales for the first quarter of fiscal 2018 were \$761 million, flat compared to the same quarter last year. Comparable Retail segment net sales, which include the comparable direct-to-consumer channel, decreased 3.1%. By brand, comparable Retail segment net sales increased 1.5% at Free People, but decreased 3.1% at Urban Outfitters and 4.4% at the Anthropologie Group. Comparable Retail segment sales were driven by strong, double-digit growth in the direct-to-consumer channel, which were offset by negative retail store comparable net sales. Wholesale segment net sales increased 14%.

“During the first quarter we continued to see strong double-digit growth from our direct-to-consumer channel and our wholesale business,” said Richard A. Hayne, Chief Executive Officer. “We believe we have significant opportunity to continue to grow both of these channels at all of our brands,” finished Mr. Hayne.

Net sales by brand and segment for the three month period were as follows:

	Three Months Ended	
	April 30,	
	2017	2016
Net sales by brand		
Urban Outfitters	\$284,787	\$298,889
Anthropologie Group	311,056	314,073
Free People	159,507	144,514
Food and Beverage	5,840	5,101
Total Company	\$761,190	\$762,577
Net sales by segment		
Retail Segment	\$690,352	\$700,193
Wholesale Segment	70,838	62,384
Total Company	\$761,190	\$762,577

For the three months ended April 30, 2017, the gross profit rate decreased 284 basis points versus the prior year's comparable period. The decline in gross profit rate was driven by higher markdowns due to under-performing women's apparel and accessories product at Anthropologie and Urban Outfitters, deleverage in delivery and logistics expenses primarily due to the penetration of the direct-to-consumer channel, and deleverage in store occupancy related to negative comparable store net sales.

As of April 30, 2017, total inventory was \$359 million, which is flat on a year-over-year basis. Comparable Retail segment inventory decreased 3.3% at cost, which was offset by inventory to stock non-comparable stores.

For the three months ended April 30, 2017, selling, general and administrative expenses, expressed as a percentage of net sales, increased by 102 basis points when compared to the prior year's comparable period. The deleverage in the quarter primarily related to approximately \$5.9 million, or 77 basis points, of nonrecurring expenses related to severance and fees associated with the Company's previously announced store organization project.

The Company's effective tax rate for the first quarter of fiscal 2018 was 44.1% compared to 39.6% in the prior year period. This increase in the tax rate was due to the ratio of foreign taxable losses to global taxable profits in the quarter and the prospective adoption of the new accounting standard related to share-based compensation.

Net income for the three months ended April 30, 2017, was \$12 million and earnings per diluted share was \$0.10. The nonrecurring costs associated with the store organization project negatively impacted earnings per diluted share by approximately \$0.03 per diluted share. The higher tax rate in the first quarter versus what the Company believes its annual effective tax rate could be, 36.5%, negatively impacted earnings per diluted share by approximately \$0.02 per diluted share.

On February 23, 2015, the Company's Board of Directors authorized the repurchase of 20 million common shares under a share repurchase program. No shares were repurchased under this authorization during the first quarter of fiscal 2018. The Company repurchased and subsequently retired 1.3 million common shares for approximately \$46 million under this authorization during the year ended January 31, 2017. As of April 30, 2017, 6.0 million common shares are remaining under this authorization.

During the three months ended April 30, 2017, the Company opened a total of 7 new locations including: 4 Free People stores, 1 Urban Outfitters store, 1 Anthropologie Group store and 1 Food and Beverage restaurant; and closed 4 locations including: 1 Free People store, 1 Urban Outfitters store, 1 Anthropologie Group store and 1 Food and Beverage restaurant.

Urban Outfitters, Inc., offers lifestyle-oriented general merchandise and consumer products and services through a portfolio of global consumer brands comprised of 242 Urban Outfitters stores in the United States, Canada, and Europe and websites; 225 Anthropologie Group stores in the United States, Canada and Europe, catalogs and websites; 130 Free People stores in the United States and Canada, catalogs and websites and 12 Food and Beverage restaurants, as of April 30, 2017. Free People wholesale sells its product through approximately 1,900 department and specialty stores worldwide, third-party websites and the Company's own retail stores.

A conference call will be held today to discuss first quarter results and will be webcast at 5:00 pm. ET at:
<http://edge.media-server.com/m/p/q3d2pn4r>

This news release is being made pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. *Certain matters contained in this release may constitute forward-looking statements. When used in this release, the words “project,” “believe,” “plan,” “will,” “anticipate,” “expect” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Any one, or all, of the following factors could cause actual financial results to differ materially from those financial results mentioned in the forward-looking statements: the difficulty in predicting and responding to shifts in fashion trends, changes in the level of competitive pricing and promotional activity and other industry factors, overall economic and market conditions and worldwide political events and the resultant impact on consumer spending patterns, any effects of war, terrorism, and civil unrest, natural disasters or severe weather conditions, increases in labor costs, availability of suitable retail space for expansion, timing of store openings, risks associated with international expansion, seasonal fluctuations in gross sales, the departure of one or more key senior executives, import risks, changes to U.S. and foreign trade policies, including the enactment of tariffs, border adjustment taxes or increases in duties or quotas, the closing or disruption of, or any damage to, any of our distribution centers, our ability to protect our intellectual property rights, risks associated with internet sales, response to new store concepts, our ability to integrate acquisitions, failure of our manufacturers and third-party vendors to comply with our social compliance program, changes in our effective income tax rate, changes in accounting standards and subjective assumptions, regulatory changes and legal matters and other risks identified in the Company’s filings with the Securities and Exchange Commission. The Company disclaims any intent or obligation to update forward-looking statements even if experience or future changes make it clear that actual results may differ materially from any projected results expressed or implied therein.*

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(Tables follow)

URBAN OUTFITTERS, INC.
Condensed Consolidated Statements of Income
(amounts in thousands, except share and per share data)
(unaudited)

	Three Months Ended April 30,	
	2017	2016
Net sales	\$ 761,190	\$ 762,577
Cost of sales	<u>521,410</u>	<u>500,686</u>
Gross profit	239,780	261,891
Selling, general and administrative expenses	<u>218,744</u>	<u>211,408</u>
Income from operations	21,036	50,483
Other income (expense), net	<u>319</u>	<u>(1,577)</u>
Income before income taxes	21,355	48,906
Income tax expense	<u>9,417</u>	<u>19,344</u>
Net income	<u>\$ 11,938</u>	<u>\$ 29,562</u>
Net income per common share:		
Basic	<u>\$ 0.10</u>	<u>\$ 0.25</u>
Diluted	<u>\$ 0.10</u>	<u>\$ 0.25</u>
Weighted-average common shares outstanding:		
Basic	<u>116,276,289</u>	<u>117,304,736</u>
Diluted	<u>116,539,305</u>	<u>117,587,009</u>
AS A PERCENTAGE OF NET SALES		
Net sales	100.0%	100.0%
Cost of sales	<u>68.5%</u>	<u>65.7%</u>
Gross profit	31.5%	34.3%
Selling, general and administrative expenses	<u>28.7%</u>	<u>27.7%</u>
Income from operations	2.8%	6.6%
Other income (expense), net	<u>0.0%</u>	<u>(0.2)%</u>
Income before income taxes	2.8%	6.4%
Income tax expense	<u>1.2%</u>	<u>2.5%</u>
Net income	<u>1.6%</u>	<u>3.9%</u>

URBAN OUTFITTERS, INC.
Condensed Consolidated Balance Sheets
(amounts in thousands, except share data)
(unaudited)

	April 30, 2017	January 31, 2017	April 30, 2016
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 252,484	\$ 248,140	\$ 228,144
Marketable securities	118,493	111,067	59,564
Accounts receivable, net of allowance for doubtful accounts of \$578, \$588 and \$1,063, respectively	83,949	54,505	72,165
Inventory	359,493	338,590	359,865
Prepaid expenses and other current assets	110,431	129,095	89,793
Total current assets	<u>924,850</u>	<u>881,397</u>	<u>809,531</u>
Property and equipment, net	851,259	867,786	871,504
Marketable securities	38,451	44,288	18,710
Deferred income taxes and other assets	113,515	109,166	115,149
Total Assets	<u>\$1,928,075</u>	<u>\$1,902,637</u>	<u>\$1,814,894</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 157,153	\$ 119,537	\$ 151,983
Accrued expenses, accrued compensation and other current liabilities	196,328	233,391	190,378
Total current liabilities	<u>353,481</u>	<u>352,928</u>	<u>342,361</u>
Long-term debt	—	—	75,000
Deferred rent and other liabilities	241,904	236,625	223,480
Total Liabilities	<u>595,385</u>	<u>589,553</u>	<u>640,841</u>
Shareholders' equity:			
Preferred shares; \$.0001 par value, 10,000,000 shares authorized, none issued	—	—	—
Common shares; \$.0001 par value, 200,000,000 shares authorized, 116,290,358, 116,233,781 and 117,116,520 issued and outstanding, respectively	12	12	12
Additional paid-in-capital	6,628	—	—
Retained earnings	1,358,319	1,347,141	1,187,906
Accumulated other comprehensive loss	(32,269)	(34,069)	(13,865)
Total Shareholders' Equity	<u>1,332,690</u>	<u>1,313,084</u>	<u>1,174,053</u>
Total Liabilities and Shareholders' Equity	<u>\$1,928,075</u>	<u>\$1,902,637</u>	<u>\$1,814,894</u>