
**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) August 14, 2008

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 St, Philadelphia PA
(Address of principal executive offices)

19112-1495
(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 (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4))
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Item 2.02. Results of Operations and Financial Condition

On August 14, 2008, 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 and six months ended July 31, 2008.

Item 9.01. Financial Statements and Exhibits

99.1 Earnings Release dated August 14, 2008 – Operating Results for the three and six months ended July 31, 2008.

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: August 18, 2008

By: /s/ John E. Kyees

John E. Kyees

Chief Financial Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
EX-99.1	Earnings Release dated August 14, 2008 – Operating results for the three and six months ended July 31, 2008.

URBAN OUTFITTERS, INC.
Second Quarter Results
Philadelphia, PA – August 14, 2008

For Immediate Release

Contact: John Kyees
 Chief Financial Officer
 (215) 454-5500

Urban Outfitters' Earnings Surge 79% in Q2

PHILADELPHIA, August 14, 2008 (PRIME NEWSWIRE) — Urban Outfitters, Inc. (NASDAQ:URBN), a leading lifestyle specialty retail company operating under the Anthropologie, Free People, Terrain and Urban Outfitters brands today announced earnings of \$57 million and \$100 million for the three and six months ended July 31, 2008, respectively. Earnings per diluted share were \$0.33 for the three and \$0.58 for the six months.

Key elements of the results are as follows:

- net sales jumped 30%;
- comparable store net sales rose 13%;
 - 7%, 10% and 19% at Anthropologie, Free People and Urban Outfitters, stores, respectively;
- Direct-to-consumer net sales rose 42% and Free People Wholesale net sales increased 14%;
- gross profit improved 43%;
- operating margin leaped 75%; and
- earnings surged 79%.

“All of our brands and channels produced exceptional results during the period,” said Glen T. Senk, Chief Executive Officer. “The Company executed superbly throughout the quarter, and we believe we are appropriately positioned for the second half of the year,” finished Mr. Senk.

Net sales for the three and six month periods were as follows:

	Three Months ended July 31,		Six months ended July 31,	
	2008	2007	2008	2007
	<i>(in thousands)</i>		<i>(in thousands)</i>	
Urban Outfitters stores	\$ 189,812	\$ 140,931	\$ 349,602	\$ 270,839
Anthropologie stores	165,615	137,558	311,211	256,157
Free People stores	7,759	3,300	13,618	5,990
Terrain garden center	2,608	—	3,225	—
Net store sales	<u>365,794</u>	<u>281,789</u>	<u>677,656</u>	<u>532,986</u>
Direct-to-consumer	60,498	42,538	118,746	86,045
Retail segment net sales	<u>426,292</u>	<u>324,327</u>	<u>796,402</u>	<u>619,031</u>
Wholesale	28,003	24,122	52,185	43,962
Total net sales	<u>\$454,295</u>	<u>\$348,449</u>	<u>\$848,587</u>	<u>\$662,993</u>

For the three and six months ended July 31, 2008, gross profit margins increased by 373 and 408 basis points, respectively, versus the prior year's comparable periods. Improvements in initial merchandise cost, reductions in markdowns and leverage of store occupancy costs helped achieve this growth for both periods.

As of July 31, 2008, inventories grew by \$25.6 million or 14%, on a year-over-year basis, driven by the acquisition of inventory to stock new retail stores. Total comparable store inventories increased by 3%.

For the three and six months ended July 31, 2008, selling, general and administrative expenses, expressed as a percentage of net sales, decreased by 95 and 55 basis points, respectively, versus the comparable periods last year. This rate improvement was led by the leverage of direct store related costs and was driven by the increase in comparable store net sales.

The Company's second quarter tax rate improved to 33.2% from 35.7% in the first quarter of this fiscal year. Management estimates an annual effective tax rate of 35% for the full fiscal year. The prior year's unusually low annual effective tax rate was primarily impacted by the receipt of one-time federal tax incentives for work performed on the development of our new home offices.

During the six months ended July 31, 2008, the Company has opened a total of 24 new stores including: 10 Urban Outfitters stores, 7 Anthropologie stores, 6 Free People stores and 1 Terrain garden center. The Company expects to open 45 new stores during the full fiscal year.

Urban Outfitters, Inc. is an innovative specialty retail company which offers a variety of lifestyle merchandise to highly defined customer niches through 132 Urban Outfitters stores in the United States, Canada, and Europe, two web sites and a catalog; 115 Anthropologie stores, a web site, catalog and Leifsdottir, Anthropologie's recently launched wholesale concept; Free People Wholesale, which sells its product to approximately 1,700 specialty stores and select department stores; 21 Free People stores, a web-site and catalog; and 1 Terrain garden center as of July 31, 2008.

A conference call will be held today to discuss first quarter results and will be web cast at 11:00 a.m. EDT on:

<http://phx.corporate-ir.net/phoenix.zhtml?p=irol-eventDetails&c=115825&eventID=1908465>

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. 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 the resultant impact on consumer spending patterns, including any effects of terrorist acts or war, availability of suitable retail space for expansion, timing of store openings, seasonal fluctuations in gross sales, the departure of one or more key senior managers, import risks, including potential disruptions and changes in duties, tariffs and quotas and other risks identified in 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
(in thousands, except share and per share data)
(unaudited)

	Three Months Ended July 31,		Six Months Ended July 31,	
	2008	2007	2008	2007
Net sales	\$ 454,295	\$ 348,449	\$ 848,587	\$ 662,993
Cost of sales, including certain buying, distribution and occupancy costs	267,785	218,422	503,397	420,351
Gross profit	186,510	130,027	345,190	242,642
Selling, general and administrative expenses	103,590	82,756	199,328	159,355
Income from operations	82,920	47,271	145,862	83,287
Other income, net	2,445	2,037	5,665	3,840
Income before income taxes	85,365	49,308	151,527	87,127
Income tax expense	28,377	17,442	51,982	25,894
Net income	<u>\$ 56,988</u>	<u>\$ 31,866</u>	<u>\$ 99,545</u>	<u>\$ 61,233</u>
Net income per common share:				
Basic	<u>\$ 0.34</u>	<u>\$ 0.19</u>	<u>\$ 0.60</u>	<u>\$ 0.37</u>
Diluted	<u>\$ 0.33</u>	<u>\$ 0.19</u>	<u>\$ 0.58</u>	<u>\$ 0.36</u>
Weighted average common shares and common share equivalents outstanding:				
Basic	<u>166,698,963</u>	<u>165,315,656</u>	<u>166,412,217</u>	<u>165,076,476</u>
Diluted	<u>171,687,530</u>	<u>169,710,489</u>	<u>171,148,661</u>	<u>169,260,752</u>
AS A PERCENT OF NET SALES				
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of sales, including certain buying, distribution and occupancy costs	58.9%	62.7%	59.3%	63.4%
Gross profit	41.1%	37.3%	40.7%	36.6%
Selling, general and administrative expenses	22.8%	23.7%	23.5%	24.0%
Income from operations	18.3%	13.6%	17.2%	12.6%
Other income (expense), net	0.5%	0.6%	0.7%	0.6%
Income before income taxes	18.8%	14.2%	17.9%	13.2%
Income tax expense	6.2%	5.0%	6.1%	4.0%
Net income	<u>12.6%</u>	<u>9.2%</u>	<u>11.8%</u>	<u>9.2%</u>

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

	July 31, 2008	January 31, 2008	July 31, 2007
Assets			
Current assets:			
Cash and cash equivalents	\$ 160,391	\$ 105,271	\$ 42,387
Marketable securities	76,905	80,127	130,748
Accounts receivable, net of allowance for doubtful accounts of \$2,395, \$972 and \$1,562, respectively	32,468	26,365	24,516
Inventories	211,205	171,925	185,619
Prepaid expenses, deferred taxes and other current assets	47,762	49,922	28,981
Total current assets	<u>528,731</u>	<u>433,610</u>	<u>412,251</u>
Property and equipment, net	507,399	488,889	468,972
Marketable securities	191,129	188,252	68,357
Deferred income taxes and other assets	41,130	32,040	31,426
Total Assets	<u>\$ 1,268,389</u>	<u>\$ 1,142,791</u>	<u>\$ 981,006</u>
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable	\$ 88,521	\$ 74,020	\$ 61,058
Accrued expenses, accrued compensation and other current liabilities	83,478	93,358	72,047
Total current liabilities	<u>171,999</u>	<u>167,378</u>	<u>133,105</u>
Deferred rent and other liabilities	128,252	121,982	102,628
Total Liabilities	<u>300,251</u>	<u>289,360</u>	<u>235,733</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, 167,164,738, 166,104,615 and 165,810,665 issued and outstanding, respectively	17	17	17
Additional paid-in-capital	160,615	144,204	136,551
Retained earnings	801,520	701,975	602,977
Accumulated other comprehensive income	5,986	7,235	5,728
Total Shareholders' Equity	<u>968,138</u>	<u>853,431</u>	<u>745,273</u>
Total Liabilities and Shareholders' Equity	<u>\$ 1,268,389</u>	<u>\$ 1,142,791</u>	<u>\$ 981,006</u>