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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**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 31, 2007**

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**Commission File Number**  
**333-42427**

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

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

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**J.CREW GROUP, INC.**

(Incorporated in Delaware)

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

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

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02. Results of Operations and Financial Condition.**

On May 31, 2007, J.Crew Group, Inc. issued a press release announcing the Company's financial results for the first quarter ended May 5, 2007. The Company is furnishing a copy of the press release hereto as Exhibit 99.1.

**Item 9.01. Financial Statements and Exhibits.**

(d) Press Release issued by J.Crew Group, Inc. on May 31, 2007.

The information in this Current Report is being furnished and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), nor shall such information be deemed incorporated by reference into any filing under the Act, or the Exchange Act, except as expressly stated by specific reference in such filing.

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**SIGNATURES**

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

J.CREW GROUP, INC.

By: /s/ James S. Scully

Name: James S. Scully

Title: Executive Vice President and Chief Financial Officer

Date: May 31, 2007

**Company Contact:**

James Scully  
Chief Financial Officer  
(212) 209-8040

**Investor Contact:**

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

**J. CREW GROUP, INC. ANNOUNCES FIRST QUARTER FISCAL 2007 RESULTS****First Quarter Revenues Rise 24% to \$297.3 million****First Quarter Operating Income Increases 57% to \$44.4 million**

New York, NY – May 31, 2007 – J. Crew Group, Inc. [NYSE:JCG] today announced financial results for the three months ended May 5, 2007 (first quarter fiscal 2007).

**First quarter highlights:**

- Revenues increased 24% to \$297.3 million. Store sales (Retail and Factory) increased 20% to \$201.0 million, with comparable store sales increasing 13%. Realigning last year's calendar weeks to be consistent with the current year retail calendar weeks would result in a comparable store sales increase of 8% in the first quarter of fiscal 2007. Comparable store sales increased 12% in the first quarter of fiscal 2006. Direct sales (Internet and Catalog) rose by 31% to \$86.6 million. Direct sales increased 12% in the first quarter of fiscal 2006.
- Gross margin increased 110 basis points to 46.6% of revenues from 45.5% of revenues in the first quarter of fiscal 2006.
- Operating income increased 57% to \$44.4 million, or 14.9% of revenues, compared to \$28.3 million, or 11.8% of revenues, in the first quarter of fiscal 2006.
- Net income available to common stockholders was \$24.6 million, or \$0.39 per diluted share, compared to \$4.4 million, or \$0.12 per diluted share, in the first quarter of fiscal 2006.
- Adjusted net income for the first quarter of fiscal 2006 totaled \$14.2 million, or \$0.22 per diluted share. A reconciliation of net income on a GAAP basis to adjusted net income is included in Exhibit (3) of this press release.

Millard Drexler, J. Crew's Chairman and CEO stated: "We are pleased with our first quarter results which reflect the hard work of our team in always doing our best to satisfy our customers. Our customers have come to expect from J. Crew the kind of quality, style and design that we work hard to consistently provide."

**Guidance**

The Company's long-term annual financial targets include comparable store sales growth in the mid single-digit range, Direct sales growth in the high single-digits, net square footage expansion in the 7% to 9% range, and diluted EPS growth in excess of 20%.

## Use of Non-GAAP Financial Measures

In addition to providing financial results in accordance with GAAP, the Company has provided non-GAAP adjusted interest expense, income taxes, net income, preferred stock dividends and earnings per share information for the three months ended April 29, 2006 in this release. This information reflects, on a non-GAAP adjusted basis, the Company's adjusted interest expense, income taxes, net income, preferred stock dividends, weighted average shares outstanding and earnings per share after considering the effects of transactions which resulted from the Company's initial public offering, refinancings and adjusted tax rates. This non-GAAP financial information is provided to enhance the user's overall understanding of the Company's current financial performance. Specifically, the Company believes the non-GAAP adjusted results provide useful information to both management and investors by adjusting the items discussed above that the Company believes are not indicative of future results. The non-GAAP financial information should be considered in addition to, not as a substitute for or as being superior to, net income, earnings per share or other measures of financial performance prepared in accordance with GAAP. This non-GAAP information and a reconciliation of this information to GAAP amounts for the three months ended April 29, 2006 are included in Exhibit (3).

## Conference Call Information

A conference call to discuss first quarter results is scheduled for today, May 31, 2007, at 4:30 PM Eastern Time. Investors and analysts interested in participating in the call are invited to dial (888) 802-8577 approximately ten minutes prior to the start of the call. The conference call will also be webcast live at [www.jcrew.com](http://www.jcrew.com). A replay of this call will be available until June 7, 2007 and can be accessed by dialing (877) 519-4471 and entering code 8810378.

## About J. Crew Group, Inc.

J. Crew Group, Inc. is a nationally recognized multi-channel retailer of women's and men's apparel, shoes and accessories. As of May 31, 2007, the Company operates 186 retail stores, the J. Crew catalog business, [jcrew.com](http://jcrew.com), and 53 factory outlet stores. Additionally, certain product, press release and SEC filing information concerning the Company are available at the Company's website [www.jcrew.com](http://www.jcrew.com).

## Forward-Looking Statements:

*Certain statements herein are "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements reflect the Company's current expectations or beliefs concerning future events and actual results of operations may differ materially from historical results or current expectations. Any such forward-looking statements are subject to various risks and uncertainties, including the strength of the economy, changes in the overall level of consumer spending or preferences in apparel, our ability to compete with other retailers, the performance of the Company's products within the prevailing retail environment, our strategy and expansion plans, reliance on key personnel, trade restrictions, political or financial instability in countries where the Company's goods are manufactured, postal rate increases, paper and printing costs, availability of suitable store locations at appropriate terms and other factors which are set forth in the Company's Form 10-K and in all filings with the SEC made by the Company subsequent to the filing of the Form 10-K. The Company does not undertake to publicly update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.*

**J. Crew Group, Inc.**  
**Condensed Consolidated Statements of Operations**  
**(Unaudited)**

(In thousands, except percentages and per share amounts)	Three Months Ended May 5, 2007	Three Months Ended April 29, 2006
Net sales		
Stores	\$ 201,009	\$ 167,124
Direct	86,570	66,211
	287,579	233,335
Other	9,733	7,352
<b>Total Revenues</b>	<b>297,312</b>	<b>240,687</b>
Costs of goods sold, buying and occupancy costs	158,774	131,293
Gross Profit	138,538	109,394
<i>As a percent of revenues</i>	46.6%	45.5%
Selling, general and administrative expenses	94,165	81,100
<i>As a percent of revenues</i>	31.7%	33.7%
Operating income	44,373	28,294
<i>As a percent of revenues</i>	14.9%	11.8%
Interest expense, net	3,442	19,196
Income before income taxes	40,931	9,098
Provision for income taxes	16,282	1,300
Net income	24,649	7,798
Preferred stock dividends	—	(3,364)
Net income available to common stockholders	<u>\$ 24,649</u>	<u>\$ 4,434</u>
Income per share:		
Basic	\$ 0.41	\$ 0.17
Diluted	\$ 0.39	\$ 0.12
Weighted average shares outstanding:		
Basic	59,731	25,434
Diluted	63,248	37,880

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

<b>(In thousands)</b>	<b>May 5, 2007</b>	<b>February 3, 2007</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 81,321	\$ 88,900
Inventories	144,759	140,670
Prepaid expenses and other current assets	45,842	47,528
Total current assets	271,922	277,098
Property and equipment, net	125,208	121,814
Other assets	31,792	29,154
Total assets	<u>\$ 428,922</u>	<u>\$ 428,066</u>
<b>Liabilities and Stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 66,358	\$ 77,836
Other current liabilities	65,883	76,666
Income taxes payable	5,675	5,496
Total current liabilities	137,916	159,998
Long-term debt	175,000	200,000
Deferred credits	64,489	62,448
Other liabilities	6,435	—
Stockholders' equity	45,082	5,620
Total liabilities and stockholders' equity	<u>\$ 428,922</u>	<u>\$ 428,066</u>

## Reconciliation of net income on a GAAP basis to “Adjusted net income”

(In thousands, except percentages and per share amounts)	Three Months Ended April 29, 2006		
	GAAP Basis	Adjustments	As Adjusted
Total Revenues	\$ 240,687	—	\$ 240,687
Cost of goods sold, buying and occupancy costs	131,293	—	131,293
Gross profit	109,394	—	109,394
Selling, general administrative expenses	81,100	—	81,100
Operating income	28,294	—	28,294
Interest expense, net	19,196	(14,096)(a)	5,100
Income before income taxes	9,098	14,096	23,194
Provision for income taxes	1,300	7,653(b)	8,953
Net income	7,798	6,443	14,241
Preferred stock dividends	(3,364)	3,364(c)	—
Net income available to common stockholders	\$ 4,434	\$ 9,807	\$ 14,241
Earnings per share:			
Basic	\$ 0.17	\$ 0.08	\$ 0.25
Diluted	\$ 0.12	\$ 0.10	\$ 0.22
Weighted average shares outstanding:			
Basic	25,434	32,366(d)	57,800
Diluted	37,880	26,220(d)	64,100

- (a) to adjust interest expense for (i) the redemption of all outstanding preferred stock, (ii) the conversion of the 5% notes payable into common stock, (iii) the redemption of \$21.7 million of the 13 1/8% debentures, (iv) the repayment of \$275.0 million aggregate principal amount of 9 3/4% notes with the proceeds of the \$285.0 million senior term loan, (v) the repayment of \$35.0 million of the senior term loan with the proceeds of the IPO completed in July 2006 and (vi) the amortization of deferred financing costs related to the term loan entered into in May 2006, assuming each of these transactions had been completed at the beginning of the fiscal year.
- (b) to adjust the provision for income taxes to reflect the Company’s estimated future ongoing effective tax rate of 38.6%, as the effective tax rate in the three months ended April 29, 2006 is not representative of the Company’s ongoing effective tax rate.
- (c) to reflect the redemption of \$92.8 million of Series A preferred stock.
- (d) to reflect the number of common shares outstanding after the IPO on a basic and diluted basis.



**Actual and Projected Store Count and Square Footage****Fiscal 2007**

<b>Quarter</b>	<b>Total stores open at beginning of the quarter</b>	<b>Number of stores opened during the quarter</b>	<b>Number of stores closed during the quarter</b>	<b>Total stores open at end of the quarter</b>
1 <sup>st</sup> Quarter (Actual)	227	6	0	233
2 <sup>nd</sup> Quarter (Projected)	233	10	2	241
3 <sup>rd</sup> Quarter (Projected)	241	14	1	254
4 <sup>th</sup> Quarter (Projected)	254	7	0	261

**Fiscal 2007**

<b>Quarter</b>	<b>Total gross square feet at beginning of the quarter</b>	<b>Gross square feet for stores opened during the quarter</b>	<b>Reduction of gross square feet for stores closed or downsized during the quarter</b>	<b>Total gross square feet at end of the quarter</b>
1 <sup>st</sup> Quarter (Actual)	1,543,904	22,615	0	1,566,519
2 <sup>nd</sup> Quarter (Projected)	1,566,519	45,215	(15,164)	1,596,570
3 <sup>rd</sup> Quarter (Projected)	1,596,570	68,298	(6,700)	1,658,168
4 <sup>th</sup> Quarter (Projected)	1,658,168	37,923	0	1,696,091