NEWS RELEASE

American Eagle Outfitters Reports December Sales of $522.4 Million on a Same Store Sales Increase of 13%; Raises Fourth Quarter EPS Guidance

1/3/2007

WARRENDALE, Pa.--(BUSINESS WIRE)--Jan. 3, 2007--American Eagle Outfitters, Inc. (NASDAQ:AEOS) today announced that total sales for the month ended December 30, 2006 increased 20% to $522.4 million, compared to $435.5 million for the month ended December 31, 2005. Comparable store sales increased 13% for the month.

In December, the company experienced strong sales reflecting a compelling holiday collection, making the AE brand a popular gift destination this season. In addition, AE's new spring transition assortment, which arrived in stores on December 24th, has been met with a positive customer response.

Jim O'Donnell, Chief Executive Officer, commented, "Our excellent performance for the holiday season and throughout fiscal 2006 reflects the strong appeal of our brand, our ability to deliver on-trend fashion that fits our customer's lifestyle, as well as our focus on disciplined operational execution."

Total sales for the year-to-date forty-eight week period ended December 30, 2006 increased 18% to $2.591 billion, compared to $2.192 billion for the forty-eight week period ended December 31, 2005. Comparable store sales increased 11% for the year-to-date period.

At this point in the quarter, the company is raising its fourth quarter earnings guidance to $0.64 to $0.65 per share compared to $0.47 per share last year, which would represent 36% to 38% growth over last year. Previous fourth quarter guidance was $0.63 to $0.64 per share.

To access the company's recorded monthly sales commentary, please call 800-642-1687, conference code 3282124#.

About American Eagle Outfitters:

American Eagle Outfitters (Nasdaq:AEOS) is a leading retailer that designs, markets and sells its own brand of laidback, current clothing targeting 15 to 25 year-olds, providing high-quality merchandise at affordable prices. AE's original collection includes standards like jeans and graphic Ts as well as essentials like accessories, outerwear, footwear, basics and swimwear. American Eagle Outfitters currently operates 836 stores in 50 states, the District of Columbia and Puerto Rico, and 72 AE stores in Canada. AE also operates ae.com, which offers additional sizes and styles of favorite AE merchandise and ships around the world. The company launched a new collection of dormwear and intimates. "aerie by American Eagle" is now available in American Eagle stores across the country and at aerie.com. It includes bras, undies, camis, hoodies, robes, boxers, sweats and leggings for the AE girl. Designed to be sweetly sexy, comfortable and cozy, aerie offers AE customers a new way to express their personal style everyday, from the dormroom to the coffee shop to the classroom. The company also introduced MARTIN + OSA, a new sportswear concept targeting 25 to 40 year-old women and men. MARTIN + OSA carries apparel, accessories and footwear, using denim and sport inspiration to design fun and sport back into sportswear. MARTIN + OSA currently operates five stores. For additional information and updates, visit martinandosa.com.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: This release contains forward-looking statements, which represent our expectations or beliefs concerning future events, specifically regarding fourth quarter earnings. All forward-looking statements made by the company involve material risks and uncertainties and are subject to change based on factors beyond the company's control. Such factors include, but are not limited to the risk that the company's fourth quarter sales, markdowns and/or earnings expectations may not be achieved and those other risks described in the Risk Factor Section of the company's Form 10-K and Form 10-Q filed with the Securities and Exchange Commission. Accordingly, the company's future performance and financial results may differ materially from those expressed or implied in any such forward-looking statements. The company does not undertake to publicly update or revise its forward-looking statements even if future changes make it clear that projected results expressed or implied will not be realized.

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