



NEWS RELEASE

American Eagle Outfitters Offers PayPal on AE.com

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PITTSBURGH & SAN JOSE, Calif., Jul 17, 2008 (BUSINESS WIRE) -- American Eagle Outfitters, Inc. (NYSE: AEO) ("American Eagle") today announced that customers shopping on www.ae.com can now use PayPal to pay for their purchases.

"AE continuously strives to provide the best possible online shopping experience for its customers," said Fred Grover, executive vice president, e-commerce and international, American Eagle Outfitters, Inc. "Offering PayPal as a safe and reliable option for payment gives all of our customers the flexibility they need when shopping on our Web site."

With more than 62 million active accounts, PayPal provides a safer, easier way to pay online. With PayPal, American Eagle customers can now pay for clothing and accessories through debit cards, bank accounts, stored balance or credit cards without sharing their financial information.

"Millions of PayPal account holders prefer to pay with PayPal because of the security and convenience our service provides," said Mary Anne Gillespie, vice president of sales at PayPal. "Because American Eagle is one of the most popular fashion sites in the country, we are excited to add it to the growing list of places to shop with PayPal - just in time for back-to-school shopping."

Beginning July 31 through August 15, customers who make a purchase on ae.com(R) using PayPal will receive 20 percent cash back into their PayPal accounts. No minimum purchase necessary, cash back limited to \$15.(1)

(1) Please visit ae.com for terms and conditions of this offer.

About American Eagle Outfitters, Inc.

American Eagle Outfitters designs, markets and sells its own brand of laidback, current clothing targeting 15 to 25 year-olds, providing high-quality merchandise at affordable prices. The original collection includes standards like jeans and graphic Ts as well as essentials like accessories, outerwear, footwear, basics and swimwear. American Eagle currently operates 871 stores in 50 states, the District of Columbia and Puerto Rico, and 76 AE stores in Canada. American Eagle also operates ae.com(R), which offers additional sizes and styles of favorite AE(R) merchandise and ships to more than forty countries around the world. The American Eagle(R) brand also includes a Dormwear(R) collection, [aerie](http://aerie.com)(TM), which is available in 68 standalone stores, American Eagle stores and at aerie.com. The collection includes bras, undies, camis, hoodies, robes, boxers, sweats and leggings for the AE girl. Designed to be sweetly sexy, comfortable and cozy, the aerie brand offers AE customers a new way to express their personal style everyday, from the dormroom to the coffee shop to the classroom.

MARTIN + OSA(TM), a concept targeting 28 to 40 year-old women and men, offers refined casual clothing and accessories, designed to be valuable, irresistible, inspiring, authentic and adventurous. MARTIN + OSA currently operates 22 stores. For additional information and updates, visit www.martinandosa.com.

The company plans to launch a children's apparel brand, 77kids by american eagleTM, offering on-trend, high-quality clothing and accessories for kids age two to 10. 77kids will debut online at **www.77kids.com** during Fiscal 2008, with brick-and-mortar stores in the U.S. planned for 2010.

About PayPal

PayPal is the safer, easier way to pay and get paid online. The service allows anyone to pay without sharing financial information and gives consumers the flexibility to pay in any way they prefer, including through credit cards, bank accounts or account balances. With more than 62 million active accounts in 190 markets and 19 currencies around the world, PayPal enables global ecommerce. PayPal is an eBay company (Nasdaq: EBAY). More information about the company can be found at **<https://www.paypal.com>**.

SOURCE: American Eagle Outfitters, Inc.

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