NEWS RELEASE

American Eagle Outfitters Reports August Sales of $276.6 Million on a Same Store Sales Increase of 11%; Raises Third Quarter EPS Guidance

8/30/2006

WARRENDALE, Pa.--(BUSINESS WIRE)--Aug. 30, 2006--American Eagle Outfitters, Inc. (NASDAQ:AEOS) today announced that total sales for the month ended August 26, 2006 increased 16% to $276.6 million, compared to $237.8 million for the month ended August 27, 2005. Comparable store sales increased 11% for the month.

August sales performance exceeded management's expectations, driven by a positive customer response to AE's on-trend back-to-school assortment. Additionally, in August the company benefited from incremental tax-free events and later school starts, primarily in the Southeast. Management continues to be pleased with the consistency and broad based strength across the business.

Total sales for the year-to-date thirty week period ended August 26, 2006 increased 16% to $1.401 billion, compared to $1.210 billion for the thirty week period ended August 27, 2005. Comparable store sales increased 9% for the year-to-date period.

Based on August performance, the company is raising its third quarter earnings guidance to $0.56 to $0.58 per share, compared to $0.47 per share last year. Previous third quarter guidance was $0.52 to $0.54 per share. Third quarter guidance includes stock option expense of approximately $0.01 per share. For the year, stock option expense is expected to be approximately $0.04 to $0.05 per share.

To access our recorded monthly sales commentary, please call 800-642-1687, conference code 3282124#.

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 818 stores in 50 states, the District of Columbia and Puerto Rico, and 72 AE stores in Canada. A new branded intimates line under the name "aerie by American Eagle" arrives in American Eagle stores this Fall. The assortment includes a complete line of bras, panties and dormwear designed for American Eagle's core 15 to 25 year-old customer. AE also operates ae.com, which offers additional sizes and styles of favorite AE merchandise and ships around the world. The company plans to open MARTIN + OSA, a new sportswear concept targeting 25 to 40 year-old women and men, in the fall of 2006. For additional information and updates, visit **www.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 third 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 third 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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