EXPRESS, INC.
Form S-1/A
December 06, 2010
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As filed with the Securities and Exchange Commission on December 6, 2010

Registration No. 333-170499

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1

TO

FORM S-1

REGISTRATION STATEMENT

UNDER THE SECURITIES ACT OF 1933

Express, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	5600 (Primary Standard Industrial Classification Code Number)	26-2828128 (I.R.S. Employer Identification No.)

1 Express Drive

Columbus, Ohio 43230

(614) 474-4001

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Matthew C. Moellering

Executive Vice President, Chief Administrative Officer, Chief Financial Officer, Treasurer and Secretary

Express, Inc.

1 Express Drive

Columbus, Ohio 43230

(614) 474-4001

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies of all communications, including communications sent to agent for service, should be sent to:

Robert M. Hayward, P.C.	**Marc D. Jaffe**
William R. Burke	**Latham & Watkins LLP**
Kirkland & Ellis LLP	**885 Third Avenue**
300 North LaSalle	**Suite 1000**
Chicago, Illinois 60654	**New York, New York 10022**
(312) 862-2000	**(212) 906-1200**

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box: ¨

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ¨	Accelerated filer ¨	Non-accelerated filer x (Do not check if a smaller reporting company)	Smaller reporting company ¨

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Amount to be Registered(1)**	**Proposed Maximum Offering Price Per Share(2)**	**Proposed Maximum Aggregate Offering Price(1)(2)**	**Amount of Registration Fee(1)(3)**
Common Stock, $0.01 par value per share	13,225,000	$16.02	$211,864,500	$15,106

(1) Includes shares of common stock that the underwriters may purchase from the selling stockholders pursuant to the option to purchase additional shares.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) under the Securities Act of 1933, as amended, on the basis of the average high and low prices of the Registrant s common stock on December 3, 2010, as reported by the New York Stock Exchange.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

(3) Of this amount, $13,211 was previously paid in connection with the initial filing of this registration statement and $1,895 has been paid in connection with this filing.

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The information in this prospectus is not complete and may be changed. The selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion.

Preliminary Prospectus dated December 6, 2010.

PROSPECTUS

11,500,000 Shares

Express, Inc.

Common Stock

The selling stockholders identified in this prospectus are offering 11,500,000 shares of our common stock. We will not receive any proceeds from the sale of shares offered by the selling stockholders.

Our common stock is traded on the New York Stock Exchange under the symbol EXPR. The last reported sale price of our common stock on the New York Stock Exchange on December 3, 2010 was $16.06 per share.

Investing in the common stock involves risks that are described in the Risk Factors section beginning on page 12 of this prospectus.

	Per Share	Total
Public offering price	$	$
Underwriting discount	$	$
Proceeds, before expenses, to the selling stockholders	$	$

The underwriters have the option to purchase up to 1,725,000 additional shares from the selling stockholders at the public offering price less the underwriting discount for 30 days after the date of this prospectus to cover any overallotments, if any.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about , 2010.

BofA Merrill Lynch	**Morgan Stanley**

Piper Jaffray	**Stifel Nicolaus Weisel**	**UBS Investment Bank**

The date of this prospectus is , 2010.

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No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus. You must not rely on any unauthorized information or representations. This prospectus is an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of its date.

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BASIS OF PRESENTATION

Unless otherwise indicated, all of the financial data presented in this prospectus is presented on a consolidated basis for Express, Inc. and its subsidiaries.

We use a 52-53 week fiscal year ending on the Saturday closest to January 31. Fiscal years are identified in this prospectus according to the calendar year prior to the calendar year in which they end. For example, references to 2010, fiscal 2010, fiscal year 2010 or similar references refer to the fiscal year ending January 29, 2011 and references to 2009, fiscal 2009, fiscal year 2009 or similar references refer to the fiscal year ended January 30, 2010. References to the third quarter of 2010 and the third quarter of 2009 refer to the thirteen weeks ended October 30, 2010 and October 31, 2009, respectively.

On July 6, 2007, investment funds managed by Golden Gate Private Equity, Inc. (Golden Gate) acquired 75% of the equity interests in our business from Limited Brands, Inc. (Limited Brands). As a result of the acquisition (the Golden Gate Acquisition), a new basis of accounting was created beginning July 7, 2007. The periods prior to the Golden Gate Acquisition are referred to as the Predecessor periods and the periods after the Golden Gate Acquisition are referred to as the Successor periods in this prospectus. The Predecessor periods presented in this prospectus include the period from February 4, 2007 through July 6, 2007, reflecting 22 weeks of operations, and the Successor periods presented in this prospectus include the period from July 7, 2007 through February 2, 2008, reflecting 30 weeks of operations. Due to the Golden Gate Acquisition, the financial statements for all Successor periods are not comparable to those of the Predecessor periods presented in this prospectus. Prior to the Golden Gate Acquisition, our consolidated financial statements were prepared on a carve-out basis from Limited Brands. The carve-out consolidated financial statements include allocations of certain costs of Limited Brands. In the Successor periods we no longer incur these charges, but do incur certain expenses as a standalone company for similar functions, including for certain support services provided by Limited Brands under the Limited Brands Transition Services Agreements, which are discussed further in the section entitled Certain Relationships and Related Party Transactions. These allocated costs were based upon various assumptions and estimates and actual results may differ from these allocated costs, assumptions and estimates. Accordingly, the carve-out consolidated financial statements may not provide a comparable presentation of our financial position or results of operations as if we had operated as a standalone entity during the Predecessor periods. See Risk Factors Risks Related to Our Business We have a limited operating history as a standalone company, which may make it difficult to compare our current operating results to prior periods.

In the section entitled Management s Discussion and Analysis of Financial Condition and Results of Operations, we have presented pro forma consolidated financial data for the fiscal year ended February 2, 2008, which gives effect to the Golden Gate Acquisition as if such transaction had occurred on February 4, 2007, in addition to the Predecessor and Successor periods. We believe that presenting the discussion and analysis of the results of operations in this manner promotes the overall usefulness of the comparison given the complexities involved with comparing two significantly different periods.

On May 12, 2010, in connection with our initial public offering (the IPO), we converted from a Delaware limited liability company into a Delaware corporation and changed our name from Express Parent LLC (Express Parent) to Express, Inc. See Certain Relationships and Related Party Transactions Reorganization as a Corporation. In connection with this conversion, all of our equity interests, which consisted of Class L, Class A and Class C units, were converted into shares of our common stock at a ratio of 0.702, 0.649, and 0.442, respectively. All share and per share information in the accompanying consolidated financial statements and the related notes has been retrospectively recast to reflect this conversion. Throughout this prospectus, the term Express Parent refers, prior to the Reorganization, to Express Parent LLC and, after the Reorganization, to Express, Inc. The term Express Topco refers to Express Topco LLC and Express Holding refers to Express Holding, LLC (each of which is one of our wholly-owned subsidiaries) and in each case not to any of their subsidiaries.

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Prior to our registration statement on Form S-1 (File No. 333-164906) for the IPO being declared effective on May 12, 2010, (i) Express Investment Corp. (EIC), the holding company that held 67.3% of our equity interests on behalf of certain investment funds managed by Golden Gate and (ii) the holding companies that directly or indirectly held 6.1% of our equity interests on behalf of certain members of management (the Management Holding Companies) merged with and into us. EIC did not have any independent operations or any significant assets or liabilities and did not comprise a business. Accordingly, this legal merger represented in substance a reorganization and transfer of EIC s income tax payables or receivables between entities under common control. Accordingly, for financial reporting purposes, the transaction was reflected as a contribution of certain of EIC s income tax payables or receivables to us, in exchange for a net receivable or payable of equal amount with an affiliate of Golden Gate. In this prospectus, we refer to all of these events that occurred in connection with the IPO as the Reorganization. See Certain Relationships and Related Party Transactions Reorganization as a Corporation.

MARKET AND INDUSTRY DATA

We obtained the industry, market and competitive position data throughout this prospectus from our own internal estimates and research as well as from industry and general publications and research, surveys and studies conducted by third parties. Industry publications, studies and surveys generally state that they have been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. While we believe that each of these studies and publications is reliable, we have not independently verified market and industry data from third-party sources. While we believe our internal company research is reliable and the definitions of our market and industry are appropriate, neither such research nor these definitions have been verified by any independent source. Certain industry, market and competitive position data presented in this prospectus was obtained from a survey conducted by e-Rewards, Inc. in April 2007 that was commissioned by Golden Gate prior to the Golden Gate Acquisition in connection with their evaluation of our business. We refer to this survey throughout this prospectus as the 2007 Market Survey.

TRADEMARKS AND TRADE NAMES

This prospectus includes our trademarks such as Express, which are protected under applicable intellectual property laws and are the property of Express, Inc. or its subsidiaries. This prospectus also contains trademarks, service marks, trade names and copyrights of other companies, which are the property of their respective owners. Solely for convenience, trademarks and trade names referred to in this prospectus may appear without the ® or ™ symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks and trade names.

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PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary does not contain all of the information that you should consider in making your investment decision. You should read the following summary together with the entire prospectus, including the more detailed information regarding our company, the common stock being sold in this offering and our consolidated financial statements and the related notes included elsewhere in this prospectus. You should carefully consider, among other things, our consolidated financial statements and the related notes included elsewhere in this prospectus and the matters discussed in the sections entitled Risk Factors and Management s Discussion and Analysis of Financial Condition and Results of Operations in this prospectus before deciding to invest in our common stock. Some of the statements in this prospectus constitute forward-looking statements. See Forward-Looking Statements.

Except where the context otherwise requires or where otherwise indicated, the terms Express, we, us, our, our company and our business refer to Express, Inc. together with its predecessors and its consolidated subsidiaries as a combined entity.

Company Overview

Express is the sixth largest specialty retail apparel brand in the United States. With 30 years of experience offering a distinct combination of style and quality at an attractive value, we believe we are a core shopping destination for our customers and that we have developed strong brand awareness and credibility with them. We target an attractive and growing demographic of women and men between 20 and 30 years old. We offer our customers an edited assortment of fashionable apparel and accessories to address fashion needs across multiple aspects of their lifestyles, including work, casual and going-out occasions. Since we became an independent company in 2007, we have made several significant changes to our business model, including completing the conversion of our stores to a dual-gender format, re-designing our go-to-market strategy and launching our e-commerce platform, all of which we believe have improved our operating profits and positioned us well for future growth and profitability.

As of October 30, 2010, we operated 582 stores. Our stores are located primarily in high-traffic shopping malls, lifestyle centers and street locations across the United States and in Puerto Rico, and average approximately 8,700 square feet. We also sell our products through our e-commerce website, express.com. Our stores and website are designed to create an exciting shopping environment that reflects the sexy, sophisticated and social brand image that we seek to project. Our product offering includes both women s and men s apparel and accessories, of which women s represented 66% of our net sales and men s represented 34% of our net sales for the thirty-nine weeks ended October 30, 2010. Our product assortment is a mix of core styles balanced with the latest fashions, a combination we believe our customers look for and value in our brand. For fiscal 2009, we generated net sales, net income and Adjusted EBITDA of $1,721.1, $75.3 and $229.8 million, respectively. Our Adjusted EBITDA increased 168% from $85.9 million in fiscal 2006 to $229.8 million in fiscal 2009. For the thirty-nine weeks ended October 30, 2010, we generated net sales, net income and Adjusted EBITDA of $1,284.3, $79.0 and $196.8 million, respectively. Our Adjusted EBITDA increased 36% from $145.1 million in the thirty-nine weeks ended October 31, 2009 to $196.8 million in the thirty-nine weeks ended October 30, 2010. See Summary Historical Consolidated Financial and Operating Data for a discussion of Adjusted EBITDA, an accompanying presentation of the most directly comparable GAAP financial measure and a reconciliation of the differences between Adjusted EBITDA and the most directly comparable GAAP financial measure, net income.

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Company History and Recent Accomplishments

We opened our first store in 1980, in Chicago, Illinois as a division of Limited Brands, Inc., and launched our men s apparel line in 1987, which we rebranded under the name Structure in 1989. In the mid 1990s, we experienced a period of rapid expansion, resulting in our operation of over 1,000 stores by 2000, including in many cases a women s and men s store in the same shopping center. In 2001, we began to consolidate our separate women s and men s stores into combined dual-gender stores under the Express brand. In 2007, we began to operate as a standalone company and have since implemented and completed numerous initiatives to strengthen our business, including:

Transitioned to Standalone Company. As a standalone company, we have made a number of changes to improve our organization, reinvest in our business and align incentives with our performance. Among these, we rehired Michael Weiss as our President and Chief Executive Officer in July 2007. We have also worked to build depth in our organization, including strengthening our merchandising and design teams and improving the processes by which we make product decisions.

Completed Dual-Gender Store Conversion. During the last nine years, we have significantly improved the efficiency of our store base by consolidating separate women s and men s stores that were located in the same shopping center into combined dual-gender stores. Over this time period, this conversion has allowed us to reduce our total gross square footage by approximately 30%. We believe our converted store model has resulted in higher store productivity and lower store expenses, leading to increased profitability.

Redesigned Go-To-Market Strategy. Since 2007, we have revised the process by which we design, source and merchandise our product assortment. We now design a greater number of styles, colors and fits of key items for each season and test approximately three-quarters of our product early in each season at a select group of stores before ordering for our broader store base. We believe the results of these changes are higher product margins from reduced markdowns, lower inventory risk and a more relevant product offering for our customers.

Reinvested in Our Business to Support Growth. Over the past three years, we have expanded several of our key functional departments and shifted our marketing focus to better position our company for long-term growth. In addition, we have placed increased focus on long-term brand-building initiatives.

Launched Express.com. We launched our e-commerce website, express.com, in July 2008, offering our customers a new channel to access our products. We believe our e-commerce platform has improved the efficiency of our business by allowing us to monitor real-time customer feedback, enhancing our product testing capabilities, expanding our advertising reach and providing us with a merchandise clearance channel.

Competitive Strengths

We attribute our success to the following competitive strengths:

Established Lifestyle Brand. With 30 years of brand heritage, we have developed a distinct and widely recognized brand that we believe fosters loyalty and credibility among our customers who look to us to provide the latest fashions and quality at an attractive value. We are the sixth largest specialty retail apparel brand in the United States in terms of 2009 sales and we believe we are the largest specialty lifestyle brand focused on the 20 to 30 year old customer demographic.

Attractive Market and Customer Demographic. According to The NPD Group (NPD Group), in the twelve months ended September 30, 2010, our brand represented approximately 5% of the $19 billion specialty apparel market for 18 to 30 year old women and men in the United States. Our customer demographic is a growing segment of the United States population, and we believe that the Express brand appeals to a particularly attractive subset of this group.

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Sophisticated Design, Sourcing and Merchandising Model. We believe that we have an efficient, diversified and flexible supply chain that allows us to quickly identify and respond to trends and to bring a tested assortment of products to our stores. We believe our model allows us to better meet customer needs and enables us to reduce inventory risk and improve product margins from reduced markdowns. Our product testing processes early in the season allow us to test approximately three-quarters of our merchandise in select stores before placing orders for our broader store base. In addition, we assess sales data and new product development on a weekly basis in order to make in-season inventory adjustments where possible and to allow us to respond to the latest trends.

Optimized Real Estate Portfolio. During the last nine years we have completed the conversion of our store base into dual-gender stores from separate women s and men s stores, which has reduced our total square footage by approximately 30%. We believe that over this period, this conversion has brought our average store size in-line with other specialty retailers, has contributed to improved per store sales and profitability and has positioned us to drive improvement in store sales and margins.

Proven and Experienced Team. Michael Weiss, our President and Chief Executive Officer, has more than 40 years of experience in the fashion industry and has served as our President for over 20 years. In addition, our senior management team has an average of 25 years of experience across a broad range of disciplines in the specialty retail industry, including design, sourcing, merchandising and real estate. Experience and tenure with Express extends deep into our organization. For example, our district managers and store managers have been with Express for an average of ten years and seven years, respectively.

Business Strategy

Key elements of our business and growth strategies include the following:

Improve Productivity of Our Retail Stores. We believe that the efforts we have taken over the last several years to optimize our store base through conversion to dual-gender stores and to improve our go-to-market strategy have positioned us well for future growth. We seek to grow our comparable store sales and operating margins by executing the following initiatives:

- *Continue to Refine Our Go-to-Market Strategy.* As we increase testing and refine our go-to-market strategy, we believe our in-store product assortment will be more appealing to our customers and will help us to decrease markdowns and to increase sales and product margins;

- *Recapture Market Share in Our Core Product Categories.* Approximately five years ago we shifted our product mix, which included a high percentage of tops, casual bottoms and denim, to increase our focus on a more premium wear-to-work assortment. Based on our historical peak sales levels across product categories, we believe there is opportunity for us to recapture sales as our customers re-discover Express in certain product categories, specifically in casual and party tops, dresses and denim; and

- *Improve Profit Margins.* We believe we have the opportunity to continue to improve margins through further efficiencies in sourcing and continued refinement of our merchandising strategy. We plan to leverage our infrastructure, corporate overhead and fixed costs through our converted dual-gender store format.

Expand Our Store Base. While there has been significant growth in retail shopping centers during the last decade, we have focused on converting our existing store base to a dual-gender format and have opened few new stores over this time period. As a result, we believe there are numerous attractive, high-traffic locations that present opportunities for us to expand our store base. We currently plan to open an average of 30 stores across the United States and Canada over each of the next five years, which represents annual store growth of approximately 5%, with slightly less than 30 stores in the earlier years and slightly more than 30 stores in the latter years.

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Expand Our e-Commerce Platform. In July 2008, we launched our e-commerce platform at express.com, providing us with a direct-to-consumer sales channel. In fiscal 2009, our e-commerce sales increased 231% relative to fiscal 2008 but still only represented approximately 5% of our net sales in fiscal 2009. In the thirty-nine weeks ended October 30, 2010, our e-commerce sales increased 58% over the thirty-nine weeks ended October 31, 2009, but still only represented approximately 7% of our net sales through the first thirty-nine weeks of fiscal 2010.

Expand Internationally with Development Partners. We believe Express has the potential to be a successful global brand. As of October 30, 2010, there were six Express stores in the Middle East, which were constructed through a development agreement with Alshaya Trading Co. Over the next five years, we believe there are additional opportunities to expand the Express brand internationally through additional low capital development arrangements.

Summary Risk Factors

We are subject to a number of risks, including risks that may prevent us from achieving our business objectives or may materially and adversely affect our business, financial condition, results of operations, cash flows and prospects. You should carefully consider these risks, including the risks discussed in the section entitled Risk Factors, before investing in our common stock. Risks related to our business include, among others:

- our business is sensitive to consumer spending and general economic conditions, and therefore a continued or further economic slowdown could adversely affect our financial performance;

- our business is highly dependent upon our ability to identify and respond to new and changing fashion trends, customer preferences and other related factors;

- our sales and results of operations fluctuate quarterly and are affected by a variety of factors, including fashion trends, changes in our merchandise mix, the effectiveness of our inventory management, actions of competitors or mall anchor tenants, holiday or seasonal periods, changes in general economic conditions and consumer spending patterns, the timing of promotional events and weather conditions;

- the clothing retail market in the United States is highly competitive, and we face substantial competition from numerous retailers, including major specialty retailers, department stores, regional retail chains, web-based retail stores and other direct retailers;

- our ability to attract customers to our stores that are located in malls or other shopping centers depends heavily on the success of these malls and shopping centers;

- we depend upon third parties to manufacture all of the products that we sell, the transportation of these products to and from all of our stores and the operation of our distribution facilities;

- we may not be able to carry out our growth strategy in a manner that is profitable, and the expansion of our business will place increased demands on our financial, operational, managerial and administrative resources; and

- as of October 30, 2010, we had $367.6 million of outstanding indebtedness and minimum annual rental obligations under long-term leases of $39.4 million for the remainder of 2010, and this substantial indebtedness and these lease obligations have significant effects on our business.

Recent Developments

On December 1, 2010, we announced that our board of directors declared a special dividend of $0.56 per share of our common stock, for a total special dividend of $50.0 million. The special dividend will be paid on December 23, 2010 to shareholders of record at the close of business on December 16, 2010. Individuals purchasing shares of our common stock offered by means of this prospectus will be eligible to receive the declared special dividend if they are shareholders of record at the close of business on December 16, 2010. In addition, on December 1, 2010, we announced that our board of directors authorized a repayment of indebtedness of up to $25.0 million.

Our Equity Sponsor

Golden Gate Private Equity, Inc. is a San Francisco-based private equity investment firm with approximately $8 billion of assets under management. Golden Gate is dedicated to partnering with world class management teams and targets investments in situations where there is a demonstrable opportunity to significantly enhance a company s value. The principals of Golden Gate have a long history of investing with management partners across a wide range of industries and transaction types, including leveraged buyouts and recapitalizations, corporate divestitures and spin-offs, build-ups and venture stage investing. Over the last five years, Golden Gate has invested in numerous brands in the specialty retail and apparel sectors, including Eddie Bauer, J. Jill and Orchard Brands, a multi-brand direct marketer which owns brands such as Appleseed s, Blair, Draper s and Damon s, Haband and Norm Thompson.

Golden Gate acquired a 75% interest in our business from an affiliate of Limited Brands on July 6, 2007 for aggregate cash payments of $484.9 million. In addition, on the closing of the Golden Gate Acquisition, we distributed to an affiliate of Limited Brands $117.0 million in loan proceeds (which amount includes an expense reimbursement paid to Limited Brands) from a $125.0 million term loan facility that was entered into in connection with the Golden Gate Acquisition. See Certain Relationships and Related Party Transactions Golden Gate Acquisition Purchase Agreement. As a result of our reorganization, the IPO and its sale of shares in connection with the IPO, Golden Gate beneficially owned approximately 55.0% of our common stock as of December 1, 2010.

Corporate Information

We are a Delaware corporation. Our corporate headquarters is located at 1 Express Drive, Columbus, Ohio 43230. Our telephone number is (614) 474-4001. Our website address is express.com. The information on our website is not deemed to be part of this prospectus.

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Corporate Structure

The following chart summarizes our corporate structure and principal indebtedness on a pro forma basis as of the completion of this offering, assuming no exercise by the underwriters of their option to purchase additional shares.

(1) We reorganized our corporate structure prior to the IPO such that the issuer of our common stock became a Delaware corporation named Express, Inc., and certain entities through which our equity holders held their equity in Express Parent were merged with and into Express Parent so that those equity holders directly held their equity interests immediately prior to the IPO. See Basis of Presentation.

(2) Express Topco and Express Holding are holding companies. Express Holding is a guarantor of the $200.0 million secured Asset-Based Loan Credit Agreement entered into by Express Holding and Express, LLC with Wells Fargo Retail Finance, LLC, as administrative agent, and certain other lenders (the Opco revolving credit facility) and the $125.0 million secured term loan entered into by Express Holding and Express, LLC on July 6, 2007 (the Opco term loan).

(3) As of October 30, 2010, Express, LLC had $196.4 million available for borrowing under the Opco revolving credit facility and no borrowings were then outstanding.

(4) As of October 30, 2010, there was $120.9 million outstanding under the Opco term loan.

(5) Express Finance Corp. is a guarantor of our credit facilities and a co-issuer, together with Express, LLC, of $250.0 million of 8 3/4% senior notes due 2018 (the Senior Notes). See Description of Certain Indebtedness Senior Notes. Express Finance Corp. conducts no other business operations.

(6) Includes Express GC, LLC, a guarantor of the Senior Notes, and Express Fashion Apparel Canada Inc., which is a non-U.S. subsidiary.

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The Offering

Common stock offered by the selling stockholders	11,500,000 shares
Selling stockholders	The selling stockholders in this transaction are Golden Gate and Limited Brands. See Principal and Selling Stockholders.
Common stock outstanding	88,735,895 shares
Option to purchase additional shares	The underwriters have the option to purchase up to 1,725,000 additional shares from the selling stockholders. The underwriters can exercise this option at any time within 30 days from the date of this prospectus.
Use of proceeds	We will not receive any proceeds from this offering. See Use of Proceeds.
Dividend policy	On December 1, 2010, we announced that our board of directors declared a special dividend of $0.56 per share of our common stock, for a total special dividend of $50.0 million. The special dividend will be paid on December 23, 2010 to shareholders of record at the close of business on December 16, 2010. Any determination to pay additional dividends in the future will be at the discretion of our board of directors. In addition, because we are a holding company, our ability to pay dividends on our common stock is limited by restrictions on the ability of our subsidiaries to pay dividends or make distributions to us, including restrictions under the terms of the agreements governing our indebtedness. See Dividend Policy and Description of Certain Indebtedness.
Risk factors	Investing in our common stock involves a high degree of risk. See Risk Factors beginning on page 12 of this prospectus for a discussion of factors you should carefully consider before deciding to invest in our common stock.
New York Stock Exchange symbol	EXPR

Unless otherwise indicated, all information in this prospectus excludes:

1,300,000 shares of our common stock issuable upon the exercise of options;

12,500 shares of common stock subject to restricted stock units; and

13,687,500 shares of our common stock reserved for future issuance under our 2010 Incentive Compensation Plan, which includes up to 42,000 shares of common stock subject to restricted stock units expected to be granted on December 23, 2010 to holders of outstanding stock-based awards as a result of the previously announced special dividend.

Unless otherwise indicated, all information in this prospectus assumes no exercise by the underwriters of their option to purchase additional shares.

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Summary Historical Consolidated Financial and Operating Data

The following tables summarize our consolidated financial and operating data as of the dates and for the periods indicated. We have derived the summary consolidated financial and operating data for the periods ended July 6, 2007 and February 2, 2008 from our consolidated financial statements for such periods, which were audited by Ernst & Young LLP, an independent registered public accounting firm. We have derived the summary consolidated financial and operating data as of January 30, 2010 and for the fiscal years ended January 31, 2009 and January 30, 2010 from our consolidated financial statements as of and for such fiscal years, which were audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm. Our audited consolidated financial statements as of January 31, 2009 and January 30, 2010 and for the fiscal years or periods, as applicable, ended July 6, 2007, February 2, 2008, January 31, 2009 and January 30, 2010 are included elsewhere in this prospectus. We have derived the summary consolidated financial and operating data as of and for the thirty-nine weeks ended October 31, 2009 and October 30, 2010 from our unaudited consolidated financial statements, which include all adjustments, consisting of normal and recurring adjustments, that we consider necessary for a fair presentation of our financial position and results of operations for such periods. Operating results for the thirty-nine week periods are not necessarily indicative of results for a full fiscal year, or for any other period. Our unaudited consolidated financial statements as of October 30, 2010 and for the thirty-nine week periods ended October 31, 2009 and October 30, 2010 are included elsewhere in this prospectus.

On July 6, 2007, investment funds managed by Golden Gate acquired 75% of the equity interests in our business from Limited Brands. As a result of the Golden Gate Acquisition, a new basis of accounting was created beginning July 7, 2007 for the Successor periods ending after such date. Prior to the Golden Gate Acquisition, our consolidated financial statements were prepared on a carve-out basis from Limited Brands. The carve-out consolidated financial statements include allocations of certain costs of Limited Brands. In the Successor periods we no longer incur these charges, but do incur certain expenses as a standalone company for similar functions, including for certain support services provided by Limited Brands under the Limited Brands Transition Services Agreements, which are discussed further in the section entitled Certain Relationships and Related Party Transactions. These allocated costs were based upon various assumptions and estimates and actual results may differ from these allocated costs, assumptions and estimates. Accordingly, the carve-out consolidated financial statements may not provide a comparable presentation of our financial position or results of operations as if we had operated as a standalone entity during the Predecessor period from February 4, 2007 through July 6, 2007. See Risk Factors Risks Related to Our Business We have a limited operating history as a standalone company, which may make it difficult to compare our current operating results to prior periods.

On May 12, 2010, in connection with the IPO, we converted from a Delaware limited liability company into a Delaware corporation and changed our name to Express, Inc. See Certain Relationships and Related Party Transactions Reorganization as a Corporation. In connection with this conversion, all of our equity interests, which consisted of Class L, Class A, and Class C units, were converted into shares of our common stock at a ratio of 0.702, 0.649 and 0.442, respectively. All share and per share information in the accompanying consolidated financial statements and the related notes has been retrospectively recast to reflect this conversion.

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The summary historical consolidated data presented below should be read in conjunction with the sections entitled Risk Factors, Selected Historical Consolidated Financial and Operating Data, Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes and other financial data included elsewhere in this prospectus.

	Predecessor	Successor				
			Year Ended		Thirty-Nine Weeks Ended	
	Period from February 4, 2007 through July 6, 2007	Period from July 7, 2007 through February 2, 2008	January 31, 2009	January 30, 2010	October 31, 2009	October 30, 2010
					(unaudited)	
	(dollars in thousands, excluding net sales per gross square foot data)					
Statement of Operations Data:						
Net sales	$ 659,019	$ 1,137,327	$ 1,737,010	$ 1,721,066	$ 1,174,227	$ 1,284,316
Cost of goods sold, buying and occupancy costs	451,514	890,063	1,280,018	1,175,088	813,998	832,770
Gross profit	207,505	247,264	456,992	545,978	360,229	451,546
General, administrative, and store operating expenses	170,100	275,150	447,071	409,198	285,259	