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

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): March 30, 2006

0-15898
(Commission File Number)

CASUAL MALE RETAIL GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

04-2623104
(IRS Employer Identification Number)

555 Turnpike Street, Canton, Massachusetts 02021
(Address of registrant's principal executive office)

(781) 828-9300
(Registrant's telephone number)

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 March 30, 2006, Casual Male Retail Group, Inc. (the "Company") issued a press release announcing the Company's results of operations for the fourth quarter and fiscal year ended January 28, 2006. A copy of this press release is attached hereto as Exhibit 99.1.

The press release contains certain non-GAAP measures which the Company believes is important for investors to help gain a better understanding of the Company. The release includes a reconciliation of such non-GAAP measures.

ITEM 9.01 Financial Statements and Exhibits

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| 99.1 | Press Release announcing results of operations for the fourth quarter and fiscal year ended January 28, 2006 for Casual Male Retail Group, Inc. |

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, thereunto duly authorized.

CASUAL MALE RETAIL GROUP, INC.

By: /s/ Dennis R. Hernreich
Name: Dennis R. Hernreich
Title: Executive Vice President
and Chief Financial Officer

Date: March 30, 2006



For Information, Contact:

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**CASUAL MALE RETAIL GROUP INC.
REPORTS SIGNIFICANTLY IMPROVED RESULTS FOR
FOURTH QUARTER AND FISCAL 2005**

CANTON, MA (March 30, 2006) — **Casual Male Retail Group, Inc. (NASDAQ/NMS: "CMRG")**, retail brand operator of *Casual Male Big & Tall*, *Casual Male XL* and *Rochester Big & Tall*, announced its operating results for the fourth quarter and fiscal year ended January 28, 2006 ("fiscal 2005").

For the fourth quarter of fiscal 2005, net income was \$13.5 million, or \$0.38 per diluted share, compared to net income of \$7.9 million, or \$0.22 per diluted share, for the fourth quarter of fiscal 2004. Results for the fourth quarter of fiscal 2005 include a net tax benefit of \$2.8 million primarily related to the reversal of a portion of the Company's deferred tax valuation allowance. In addition, the results for the fourth quarter of fiscal 2005 include a net charge of \$1.0 million associated with the Company's \$1.2 million expense for the prepayment of its mortgage note payable partially offset by a gain from the buyback of \$5.3 million of its convertible notes. Assuming a normalized tax rate of 37.5% and without regard to these special items, earnings per share for the fourth quarter of fiscal 2005 was \$0.21 per diluted share versus \$0.14 per diluted share for the fourth quarter of fiscal 2004.

For fiscal 2005, the Company reported net income of \$10.8 million, or \$0.30 per diluted share, compared to a net income of \$1.5 million, or \$0.04 per diluted share, in fiscal 2004. Assuming a normalized tax rate of 37.5% and without regard to the special items noted above, earnings per share for the fiscal year 2005 was \$0.16 per diluted share compared to \$0.03 per diluted share for fiscal year 2004.

Dennis Herreich, Executive Vice President, COO and CFO, stated, "The fourth quarter of fiscal 2005 was our most successful quarter since the acquisition of Casual Male in 2002. We believe our comparable sales increase of 7.9% for the fourth quarter resulted from the culmination of a number of key initiatives that we started over two years ago. Just as important, the Company generated a 340 basis point improvement in gross margin during the fourth quarter which drove a sustainable operating margin improvement for the year of 200 basis points." Mr. Herreich added, "As a result of our growing profitability, the Company's earnings for fiscal 2005 benefited from approximately \$0.08 per diluted share as we were able to recognize a portion of the Company's previously reserved tax assets, which had been previously written off due to prior year losses."

Investors are invited to listen to a broadcast of the Company's conference call to discuss its fiscal 2005 earnings results. The conference call will broadcast live today on Thursday, March 30, 2006 at 11:00 a.m. Eastern Time at www.casualmale.com/investor. The call will be archived online within one hour after its completion. Participating in the call will be David Levin, President and Chief Executive Officer, and Dennis Hernreich, Executive Vice President, Chief Operating Officer and Chief Financial Officer.

During the conference call, the Company may discuss and answer questions concerning business and financial developments and trends. The Company's responses to questions, as well as other matters discussed during the conference call, may contain or constitute information that has not been disclosed previously.

In addition to the financial measures prepared in accordance with generally accepted accounting principles (GAAP), our above discussion refers to a normalized tax rate, which is a non-GAAP measure. Normalized tax basis reflects a 37.5% effective tax rate on pre-tax income (loss). The Company believes that the inclusion of this non-GAAP measure helps investors to gain a better understanding of the Company's performance, especially when comparing such results to previous periods or forecasts. However, this non-GAAP financial measure included in this press release is not meant to be considered superior to or as a substitute for results of operations prepared in accordance with GAAP. The following table shows the reconciliation of net income for the fourth quarter and fiscal year of 2005 of \$0.21 and \$0.16 per diluted share, respectively, as compared to net income for the fourth quarter and fiscal year of 2004 of \$0.14 and \$0.03 per diluted share, respectively, on a GAAP basis affected for the adjustment for normalized taxes and without the net tax benefit of \$2.8 million, primarily related to the reversal of the Company's valuation allowance, and the \$1.0 million in net charges incurred in connection with the retirement of the Company's long-term debt.

| | For the three months ended: | | | | For the fiscal year ended: | | | |
|-------------------------------------------------------------------------------------------|-----------------------------|----------------|-----------|----------------|----------------------------|----------------|-----------|----------------|
| | 1/28/2006 | Diluted EPS | 1/29/2005 | Diluted EPS | 1/28/2006 | Diluted EPS | 1/29/2005 | Diluted EPS |
| <i>(in millions, except for earnings per share(EPS) amounts)</i> | | | | | | | | |
| Net income as reported | \$ 13.5 | 0.38 | \$ 7.9 | \$ 0.22 | \$ 10.8 | 0.30 | \$ 1.5 | \$ 0.04 |
| Add back of other expense, net (associated with the prepayment of certain long-term debt) | 1.0 | 0.03 | — | — | 1.0 | 0.03 | — | — |
| Deduct benefit from valuation allowance reversal, net of tax accrual | (2.8) | (0.08) | — | — | (2.8) | (0.08) | — | — |
| Income tax provision, assuming normalized tax rate of 37.5% | (4.4) | (0.12) | (3.0) | (0.08) | (3.4) | (0.09) | (0.6) | (0.01) |
| Adjusted net income, after normalized tax benefit | \$ 7.3 | \$ 0.21 | \$ 4.9 | \$ 0.14 | \$ 5.6 | \$ 0.16 | \$ 0.9 | \$ 0.03 |
| Weighted average shares outstanding –diluted | 35.8 | | 35.7 | | 35.9 | | 36.7 | |

Casual Male Retail Group, Inc., the largest retailer of big and tall men's apparel with retail operations throughout the United States, Canada and London, England, operates 484 Casual Male Big & Tall and Casual Male XL stores, the Casual Male e-commerce site, Casual Male catalog business, 13 Casual Male at Sears-Canada stores, 23 Rochester Big & Tall stores and a direct to consumer business. The Company is headquartered in Canton, Massachusetts, and its common stock is listed on the NASDAQ National Market under the symbol "CMRG."

The discussion of forward-looking information requires management of the Company to make certain estimates and assumptions regarding the Company's strategic direction and the effect of such plans on the Company's financial results. The Company's actual results and the implementation of its plans and operations may differ materially from forward-looking statements made by the Company. The Company encourages readers of forward-looking information concerning the Company to refer to its prior filings with the Securities and Exchange Commission that set forth certain risks and uncertainties that may have an impact on future results and direction of the Company. The Company does not report on its progress during a quarter until after the quarter has been completed and its results have been appropriately disclosed.

[tables to follow]

CASUAL MALE RETAIL GROUP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

| | For the three months ended | | For the twelve months ended | |
|-----------------------------------------------------------------------------|----------------------------|------------------|-----------------------------|------------------|
| | January 28, 2006 | January 29, 2005 | January 28, 2006 | January 29, 2005 |
| Sales | \$ 129,695 | \$ 118,150 | \$ 421,383 | \$ 365,047 |
| Cost of goods sold including occupancy | 70,012 | 67,827 | 239,203 | 214,607 |
| Gross profit | 59,683 | 50,323 | 182,180 | 150,440 |
| Expenses: | | | | |
| Selling, general and administrative | 41,948 | 37,379 | 151,890 | 132,554 |
| Depreciation and amortization | 3,631 | 2,643 | 12,737 | 9,858 |
| Total expenses | 45,579 | 40,022 | 164,627 | 142,412 |
| Operating income | 14,104 | 10,301 | 17,553 | 8,028 |
| Other income (expense), net | (969) | — | (969) | 308 |
| Interest expense, net | (2,408) | (2,030) | (8,553) | (8,064) |
| Income from continuing operations before minority interest and income taxes | 10,727 | 8,271 | 8,031 | 272 |
| Minority interest | — | — | — | (701) |
| Income taxes | (2,729) | — | (2,729) | — |
| Income from continuing operations | \$ 13,456 | \$ 8,271 | \$ 10,760 | \$ 973 |
| Income (loss) from discontinued operations | — | (386) | — | 551 |
| Net income | \$ 13,456 | \$ 7,885 | \$ 10,760 | \$ 1,524 |
| Net income per share - basic | | | | |
| Income from continuing operations | \$ 0.39 | \$ 0.24 | \$ 0.31 | \$ 0.03 |
| Income (loss) from discontinued operations | \$ 0.00 | \$ (0.01) | \$ 0.00 | \$ 0.01 |
| Net income | \$ 0.39 | \$ 0.23 | \$ 0.31 | \$ 0.04 |
| Net income per share - diluted | | | | |
| Income from continuing operations | \$ 0.38 | \$ 0.23 | \$ 0.30 | \$ 0.03 |
| Income (loss) from discontinued operations | \$ 0.00 | \$ (0.01) | \$ 0.00 | \$ 0.01 |
| Net income | \$ 0.38 | \$ 0.22 | \$ 0.30 | \$ 0.04 |
| Weighted-average number of common shares outstanding: | | | | |
| Basic | 34,360 | 34,224 | 34,306 | 34,511 |
| Diluted | 35,783 | 35,670 | 35,860 | 36,733 |

CASUAL MALE RETAIL GROUP, INC.
CONSOLIDATED BALANCE SHEETS
January 28, 2006 and January 29, 2005
(In thousands)

| | <u>January 28, 2006</u> | <u>January 29, 2005</u> |
|----------------------------------------------------------|-----------------------------|-----------------------------|
| ASSETS | | |
| Cash and investments | \$ 5,568 | \$ 5,731 |
| Assets held for sale (land and building) | 26,629 | — |
| Inventories | 91,546 | 79,858 |
| Other current assets | 8,216 | 9,178 |
| Property and equipment, net | 51,273 | 74,651 |
| Goodwill and other intangibles | 89,618 | 89,349 |
| Other assets | 10,981 | 9,021 |
| Total assets | <u>\$ 283,831</u> | <u>\$ 267,788</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Accounts payable, accrued expenses and other liabilities | \$ 61,850 | \$ 53,729 |
| Notes payable | 37,387 | 19,311 |
| Long-term debt, net of current portion | 95,437 | 117,784 |
| Stockholders' equity | 89,157 | 76,964 |
| Total liabilities and stockholders' equity | <u>\$ 283,831</u> | <u>\$ 267,788</u> |