SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

[X] QUARTERLY REPORT UNDER SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended April 30, 2002

OR

[_] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____________ to _____________

Commission File Number 0-16999

Urban Outfitters, Inc.
(Exact name of registrant as specified in its charter)

PENNSYLVANIA (State or Other Jurisdiction of Incorporation of Organization)	23-2003332 (I.R.S. Employer Identification No.)
1809 Walnut Street, Philadelphia, PA (Address of principal executive office)	19103 (Zip Code)

(215) 564-2313
(Registrant's telephone number including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No _____

Title of Each Class of Common Stock	Number of Shares Outstanding at May 13, 2002
Common Shares, par value, $.0001 per share	19,152,786

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URBAN OUTFITTERS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)
(Unaudited)

	April 30, 2002	January 31, 2002	April 30, 2001
ASSETS			
Current assets:			
Cash and cash equivalents	$ 74,647	$ 28,251	$ 9,795
Marketable securities	4,032	32	332
Accounts receivable, net of allowances of $535, $562, and $536, respectively	4,678	4,129	5,558
Inventories	42,143	41,086	41,903
Prepaid expenses, deferred taxes and other current assets	6,639	8,651	10,242
Total current assets	132,139	82,149	67,830
Property and equipment, net	106,018	105,505	99,325
Deferred taxes and other assets	7,430	7,448	6,139
	$ 245,587	$ 195,102	$ 173,294
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	$ 22,497	$ 20,838	$ 22,243
Accrued expenses, accrued compensation and other current liabilities	18,493	19,992	14,283
Total current liabilities	40,990	40,830	36,526
Deferred rent	8,836	8,384	6,257

Total liabilities	49,826	49,214	42,783
Commitments and contingencies (See Note 6)			
Shareholders' equity:			
Preferred shares; $.0001 par value, 10,000,000 shares authorized, none issued	-	-	-
Common shares; $.0001 par value, 50,000,000 shares authorized, 19,152,786, 17,352,886, and 17,253,486 issued and outstanding, respectively	2	2	2
Additional paid-in capital	62,635	17,872	16,268
Retained earnings	133,871	129,116	115,260
Accumulated other comprehensive loss	(747)	(1,102)	(1,019)
Total shareholders' equity	195,761	145,888	130,511
	$ 245,587	$ 195,102	$ 173,294

See accompanying notes

URBAN OUTFITTERS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except share and per share data)
(Unaudited)

	Three Months Ended April 30,	
	2002	2001
Net sales	$ 94,074	$ 71,834
Cost of sales, including certain buying, distribution and occupancy costs	61,904	50,274
Gross profit	32,170	21,560
Selling, general and administrative expenses	24,002	19,512
Income from operations	8,168	2,048
Other income (expense), net	(177)	(113)
Income before income taxes	7,991	1,935
Income tax expense	3,236	784
Net income	$ 4,755	$ 1,151
Net income per common share:		
Basic	$ 0.27	$ 0.07
Diluted	$ 0.26	$ 0.07
Weighted average common shares outstanding:		
Basic	17,569,709	17,253,482
Diluted	18,112,904	17,292,362

See accompanying notes

URBAN OUTFITTERS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in thousands, except share data)
(Unaudited)

	Comprehensive Income	Common Shares					
	Quarter	Number of Shares	Par Value	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
Balances at February 1, 2002		17,352,886	$ 2	$ 17,872	$ 129,116	$ (1,102)	$ 145,888
Net income	$ 4,755				4,755		4,755
Foreign currency translation adjustments, net	355					355	355
Comprehensive income	$ 5,110						
Stock issued for cash, net of issuance costs		1,600,000		41,470			41,470
Exercise of stock options		199,900		2,407			2,407
Tax effect of exercises				886			886
Balances at April 30, 2002		19,152,786	$ 2	$ 62,635	$ 133,871	$ (747)	$ 195,761
Balances at February 1, 2001		17,253,486	$ 2	$ 16,268	$ 114,109	$ (767)	$ 129,612
Net income	$ 1,151				1,151		1,151
Foreign currency translation adjustments, net	(270)					(270)	(270)
Change in unrealized net losses on marketable securities	18					18	18
Comprehensive income	$ 899						
Balances at April 30, 2001		17,253,486	$ 2	$ 16,268	$ 115,260	$ (1,019)	$ 130,511

See accompanying notes

URBAN OUTFITTERS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Three months ended April 30,	
	2002	2001
Cash flows from operating activities:		
Net income	$ 4,755	$ 1,151
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,212	3,647
Tax benefit of stock option exercises	886	-
Changes in assets and liabilities:		
Increase in receivables	(543)	(2,114)
Increase in inventories	(1,003)	(7,117)
Decrease (increase) in prepaid expenses and other assets	2,032	(396)
Increase in payables, accrued expenses and other liabilities	1,801	3,679
Net cash provided by (used in) operating activities	12,140	(1,150)
Cash flows from investing activities:		
Capital expenditures	(5,705)	(5,071)
Purchases of marketable securities	(4,000)	-
Net cash used in investing activities	(9,705)	(5,071)

Cash flows from financing activities:		
Exercise of stock options	2,407	-
Issuance of common shares	41,470	-
Net cash provided by financing activities	43,877	-
Effect of exchange rate changes on cash and cash equivalents	84	(270)
Increase (decrease) in cash and cash equivalents	46,396	(6,491)
Cash and cash equivalents at beginning of period	28,251	16,286
Cash and cash equivalents at end of period	$ 74,647	$ 9,795

See accompanying notes

URBAN OUTFITTERS, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. The results of operations for the three months ended April 30, 2002 are not necessarily indicative of the results to be expected for the full year. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 2002, filed with the Securities and Exchange Commission on March 22, 2002.

2. Public Offering

In April 2002, the Company completed a public offering of 1.6 million shares of its common stock at a price of $28.00 per share. The Company received net proceeds of approximately $41.5 million from the offering. In conjunction with the offering, certain selling shareholders exercised options which resulted in additional cash proceeds of approximately $1.5 million.

3. Recent Accounting Pronouncements

In August 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" ("SFAS No. 144"), which establishes a single accounting model, based on the framework established in SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of," and resolves significant implementation issues related to SFAS No. 121. SFAS No. 144 superceded SFAS No. 121 and Accounting Principles Board Opinion No. 30, "Reporting the Results of Operations - Reporting the Effects of a Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions." The adoption of SFAS No. 144 on February 1, 2002 did not have an impact on the Company's financial position or results of operations.

4. Marketable Securities

All marketable securities are classified as available-for-sale for all periods presented:

	April 30, 2002	January 31, 2002	April 30, 2001
		(in thousands)	
Current			
Available-for-sale	$4,032	$ 32	$ 332
Total marketable securities	$4,032	$ 32	$ 332

Marketable securities are carried at fair value.

5. Line of Credit

On September 12, 2001, the Company entered into a new $25 million line of credit facility (the "Line") with one of its banks. The Line, which replaced the Company's $16.2 million discretionary line of credit with the bank, is a one-year committed line of credit to fund working capital requirements and letters of credit. The Line contains sublimits for letters of credit and European subsidiary borrowings. Cash advances bear interest at LIBOR plus 1.25% to 1.75% based upon the Company's achievement of prescribed adjusted debt ratios. The agreement subjects the Company to various restrictive covenants, including maintenance of certain financial ratios such as a fixed charge coverage ratio, adjusted debt ratio and minimum tangible net worth and limits the Company's capital expenditures and share repurchases and prohibits the payment of cash dividends on common stock. At April 30, 2002, the Company was in compliance with all covenants under this facility. As of and during the three months ended April 30, 2002, there were no borrowings. Outstanding letters of credit and standby letters of credit were $14.7 million, $9.4 million and $11.4 million at April 30, 2002, January 31, 2002 and April 30, 2001, respectively.

6. Commitments and Contingencies

The Company is party to various legal proceedings arising from normal business activities. Management believes that the ultimate resolution of these matters will not have a material adverse effect on the Company's financial position or results of operations.

7. Net Income Per Share

The difference between the number of weighted average common shares outstanding used for basic net income per share and the number used for dilutive net income per share represents the share effect of dilutive stock options.

Options to purchase 113,300 and 1,123,500 shares were outstanding at April 30, 2002 and 2001, respectively, but were not included in the computation of EPS because their effect would be antidilutive.

8. Segment Reporting

Urban Outfitters is a national retailer of lifestyle-oriented general merchandise through 82 stores operating under the retail names "Urban Outfitters" and "Anthropologie," and through a catalog and two web sites. Sales from this retail segment account for over 90% of total consolidated sales for the fiscal year ended January 31, 2002. The remainder is derived from a wholesale division that manufactures and distributes apparel to the retail segment and to approximately 1,100 better specialty retailers worldwide.

The Company has aggregated its operations into these two reportable segments based upon their unique management, customer base and economic characteristics. Reporting in this format provides management with the financial information necessary to evaluate the success of the segments and the overall business. The Company evaluates the performance of the segments based on the net sales and pre-tax income from operations (excluding intercompany royalty and interest charges) of the segment. Corporate expenses include expenses incurred in and directed by the corporate office that are not allocated to segments. The principal identifiable assets for each operating segment are inventory and fixed assets. Other assets are comprised primarily of general corporate assets, which principally consist of cash and cash equivalents, marketable securities, accounts receivable and other assets. The Company accounts for intersegment sales and transfers as if the sales and transfers were made to third parties making similar volume purchases.

Both the retail and wholesale segment are highly diversified. No customer comprises more than 10% of sales. Foreign operations are not material relative to the overall Company.

	Three months ended April 30, 2002	Three months ended April 30, 2001
Net sales		
Retail operations	$ 89,485	$ 67,428
Wholesale operations	5,562	5,229
Intersegment elimination	(973)	(823)
Total net sales	$ 94,074	$ 71,834
Income from operations		
Retail operations	$ 8,680	$ 2,862
Wholesale operations	387	(23)
Intersegment elimination	(158)	(164)
Total segment operating income	8,909	2,675
General corporate expenses	(741)	(627)
Total income from operations	$ 8,168	$ 2,048

	April 30, 2002	January 31, 2002	April 30, 2001
Property and equipment, net			
Retail operations	$ 105,215	$ 104,655	$ 98,347
Wholesale operations	802	849	977
Corporate	1	1	1
Total property and equipment, net	$ 106,018	$ 105,505	$ 99,325
Inventories			
Retail operations	$ 40,947	$ 39,014	$ 39,692
Wholesale operations	1,196	2,072	2,211
Total inventories	$ 42,143	$ 41,086	$ 41,903

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

GENERAL

This Securities and Exchange Commission filing is being made pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Certain matters contained in this filing may constitute forward-looking statements. When used in this Form 10-Q, the words "project," "believe," "anticipate," "expect" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Any one, or all, of the following factors could cause actual financial results to differ materially from those financial results mentioned in the forward-looking statements: the difficulty in predicting and responding to shifts in fashion trends, changes in the level of competitive pricing and promotional activity and other industry factors, overall economic and market conditions and the resultant impact on consumer spending patterns, including any effects of terrorist acts or war, availability of suitable retail space for expansion, timing of store openings, seasonal fluctuations in gross sales, the departure of one or more key senior managers, import risks, including potential disruptions and changes in duties, tariffs and quotas and other risks identified in filings with the Securities and Exchange Commission. The Company disclaims any intent or obligation to update forward-looking statements even if experience or future changes make it clear that actual results may differ materially from any projected results expressed or implied therein.

Thus far this fiscal year, the Company has opened two new Anthropologie stores. Management plans to open approximately ten to twelve additional stores during the remainder of the fiscal year.

RESULTS OF OPERATIONS

The Company's fiscal year ends on January 31. All references in this discussion to fiscal years of the Company refer to the fiscal years ended on January 31 in those years. For example, the Company's Fiscal 2003 will end on January 31, 2003. This discussion of results of operations addresses the first quarter of FY 2003.

The following table sets forth, for the periods indicated, the percentage of the Company's net sales represented by certain income statement data. The following discussion should be read in conjunction with the table that follows:

	Three months ended April 30,	
	2002	2001
Net sales	100.0%	100.0%
Cost of sales, including certain buying, distribution and occupancy costs	65.8	70.0
Gross profit	34.2	30.0
Selling, general and administrative expenses	25.5	27.2
Income from operations	8.7	2.8
Other income (expense), net	(0.2)	(0.1)
Income before income taxes	8.5	2.7
Income tax expense	3.4	1.1
Net income	5.1%	1.6%

THREE MONTHS ENDED APRIL 30, 2002 COMPARED TO THREE MONTHS ENDED APRIL 30, 2001

Net sales increased by 31.0% during the first quarter ended April 30, 2002 to $94.1 million from $71.8 million for the same quarter last year. The $22.3 million increase over the prior year's first quarter was the result of an 18.2% comparable store sales increase of $10.9 million along with noncomparable and new store sales increases of $10.4 million. In addition, direct-to-consumer and Free People wholesale contributed $0.8 million and $0.2 million of sales increases, respectively, in the quarter. Comparable store sales increases were comprised of a 12.1% increase for Urban Retail and a 27.3% increase for Anthropologie. Increases in the number of transactions in comparable stores and an increase in average sales prices resulting from a lower proportion of markdowns accounted for the comparable store sales dollar increase. The increase in net sales attributable to noncomparable and new stores was caused by the opening of two new stores during the first quarter of Fiscal 2003 and eleven new stores in Fiscal 2002 which were noncomparable for the first quarter of Fiscal 2003. In addition, direct-to-consumer sales increased as a result of increased customer response and overall demand, both in dollars per catalog and unique site visits.

The Company's gross profit margin, expressed as a percentage of sales, increased to 34.2% from 30.0% for the comparable period last year. This increase was primarily caused by improvements to the initial cost of goods and decreased markdown requirements which together increased gross profit, expressed as a percentage of sales, by 2.5%. Additionally, leveraging of the Company's occupancy expenses caused by the significant comparable store sales increase accounted for another 1.1% of the increase, expressed as a percentage of sales.

Selling, general and administrative expenses, expressed as a percentage of sales, decreased to 25.5% from 27.2% for the quarter ended April 30, 2002 versus the same quarter last year. This improvement was primarily attributable to the leveraging of expenses as a result of the increase in comparable store sales.

Net income for the quarter ended April 30, 2002 was $4.8 million or $0.26 per diluted share versus $1.2 million or $0.07 per diluted share for the comparable quarter last year.

LIQUIDITY AND CAPITAL RESOURCES

Cash, cash equivalents and marketable securities were $78.7 million at April 30, 2002, as compared to $28.2 million at January 31, 2002 and $10.1 million at April 30, 2001. Increases in cash, cash equivalents and marketable securities were primarily a result of the Company's successful public offering of 1.6 million common shares of stock during the first quarter of Fiscal 2003. The Company's net working capital was $91.1 million at April 30, 2002, as compared to $41.3 million at January 31, 2002 and $31.3 million at April 30, 2001.

Total inventories at April 30, 2002 increased by 1.0% versus the comparable period end last year, principally attributable to the increase in the number of new retail stores. Comparable store inventories at April 30, 2002 were 5.5% below last year's levels as a result of strong "sell-throughs". Management believes that current inventory levels, although lean, are sufficient to sustain anticipated sales trends.

The Company expects that capital expenditures for the current year will not exceed $25 million. The primary use of cash will be to open new stores and purchase inventories. The Company believes that existing cash and investments at April 30, 2002, together with future cash from operations and available credit under the Company's line of credit facility, assuming renewal or replacement, will be sufficient to meet the Company's cash needs for the next three years.

Accrued expenses, accrued compensation and other current liabilities increased to $18.5 million as of April 30, 2002 from $14.3 million at April 30, 2001. The increase in the components of accrued expenses and other current liabilities is primarily attributable to additional stores and incentive compensation accruals associated with improved profitability.

Additional paid-in-capital increased to $62.6 million as of April 30, 2002 from $16.3 million at April 30, 2001.

This increase was primarily the result of the Company's completed public offering during the first quarter of Fiscal 2003 of 1.6 million of its common shares which generated approximately $41.5 million, net of selling expenses. Additionally, certain option exercises since April 30, 2001 generated another $4.9 million, including the estimated tax benefit related to the exercises. These monies will be used, in part, to fund additional new store openings.

On September 12, 2001, the Company entered into a new $25 million line of credit facility (the "Line") with one of its banks. The Line, which replaced the Company's $16.2 million discretionary line of credit with the bank, is a one-year committed line of credit to fund working capital requirements and letters of credit. The Line contains sublimits for letters of credit and European subsidiary borrowings. Cash advances bear interest at LIBOR plus 1.25% to 1.75% based upon the Company's achievement of prescribed adjusted debt ratios. The agreement subjects the Company to various restrictive covenants, including maintenance of certain financial ratios such as a fixed charge coverage ratio, adjusted debt ratio and minimum tangible net worth and limits the Company's capital expenditures and share repurchases and prohibits the payment of cash dividends on common stock. At April 30, 2002, the Company was in compliance with all covenants under this facility. As of and during the three months ended April 30, 2002, there were no borrowings. Outstanding letters of credit and standby letters of credit were $14.7 million, $9.4 million and $11.4 million at April 30, 2002, January 31, 2002 and April 30, 2001, respectively

OTHER MATTERS

Recent Accounting Pronouncements

In August 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" ("SFAS No. 144"), which establishes a single accounting model, based on the framework established in SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of," and resolves significant implementation issues related to SFAS No. 121. SFAS No. 144 superceded SFAS No. 121 and Accounting Principles Board Opinion No. 30, "Reporting the Results of Operations - Reporting the Effects of a Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions." The adoption of SFAS No. 144 on February 1, 2002 did not have an impact on our financial position or results of operations.

Seasonality and Quarterly Results

While the Company has been profitable in each of its last 49 operating quarters, its operating results are subject to seasonal fluctuations. The Company's highest sales levels have historically occurred during the five-month period from August 1 to December 31 of each year (the back-to-school and holiday periods). Sales generated during these periods have traditionally had a significant impact on the Company's results of operations. Any decreases in sales for these periods or in the availability of working capital needed in the months preceding these periods could have a material adverse effect on the Company's results of operations. While the Company's comparable store sales trend since April 30, 2002 has continued to exceed its conservative plan, results of operations in any one fiscal quarter are not necessarily indicative of the results of operations that can be expected for any other fiscal quarter or for the full fiscal year.

The Company's results of operations may also fluctuate from quarter to quarter as a result of the amount and timing of expenses incurred in connection with, and sales contributed by, new stores, store expansions and the integration of new stores into the operations of the Company or by the size and timing of mailings and web site traffic for the Company's direct response operations. Fluctuations in the bookings and shipments of wholesale merchandise between quarters can also have positive or negative effects on earnings during the quarters.

Item 3. Quantitative and Qualitative Disclosure About Market Risk

The Company is exposed to the following types of market risks - fluctuations in the purchase price of merchandise, as well as other goods and services; the value of foreign currencies in relation to the U.S. dollar; and changes in interest rates. Due to the Company's inventory turn and its historical ability to pass through the impact of any generalized changes in its cost of goods to its customers through pricing adjustments, commodity and other product risks are not expected to be material. The Company purchases substantially all its merchandise in U.S. dollars, including a portion of the goods for its stores located in Canada and Europe. As explained in the section above on "Recent Accounting Pronouncements," market risks are further limited by the Company's purchase of short-term foreign currency forward exchange contracts.

The Company's exposure to market risk for changes in interest rates relates to its cash , cash equivalents and marketable securities. As of April 30, 2002, the Company's cash, cash equivalents and marketable securities consisted primarily of funds invested in money market accounts, which bear interest at a variable rate, and corporate demand notes. Due to the average maturity and conservative nature of the Company's investment portfolio, we believe a sudden change in interest rates would not have a material effect on the value of our investment portfolio. As the interest rates on predominately all of our cash equivalents are variable, a change in interest rates earned on our investment portfolio would impact interest income and expense along with cash flows, but would not impact the fair market value of the related underlying instruments. The Company intends to transfer a portion of its short-term investment portfolio at April 30, 2002 into longer term marketable securities.

PART II

OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

3.1 The Company's Amended and Restated Articles of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form S-1 (File No. 33-69378) filed on September 24, 1993).

3.2 The Company's Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Company's Registration Statement on Form S-1 (File No. 33- 69378) filed on September 24, 1993).

(b) Reports on Form 8-K: None

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.

URBAN OUTFITTERS, INC.
(Registrant)

By: /s/ Richard A. Hayne

Richard A. Hayne
Chairman of the Board of Directors

By: /s/ Stephen A. Feldman

Stephen A. Feldman
Chief Financial Officer

Dated: