



ascena
retail group inc.
2013 ANNUAL REPORT



Justice



Lane
BRYANT



maurices



dressbarn



CATHERINES

“WE KNOW THAT THE PATH TO CREATING VALUE FOR OUR SHAREHOLDERS IS BY CREATING VALUE FOR OUR CUSTOMERS. ACROSS ALMOST 4,000 STORES, OUR NEARLY 50,000 ASSOCIATES KNOW THAT CUSTOMER SERVICE MAKES THE DIFFERENCE.”



2013 has been an evolutionary year for our business.

We made significant progress in a number of areas, particularly with respect to the integration of our acquisition of the Charming Shoppes businesses. We have embarked on a transformation of our operating platform. This is a wide-ranging effort designed to create a strong shared services platform that centralizes our operations, unlocks synergy and efficiency, improves our financial performance and positions us for continued growth and value creation.

Over the past year, we've continued to build an experienced executive team that will achieve our vision. Key hires have included Dirk Montgomery, who joined us as our new Chief Financial Officer in January, and Linda Heasley, our new CEO of Lane Bryant, who will help us write the next chapter for that brand. We have attracted talent for key positions across the company, including new senior merchandising leaders. This is a world-class team with high aspirations and expectations.

Our fiscal 2013 results, particularly in the early part of the year, reflect the transition in the business, including our pre-integration cost structure and some merchandising challenges at Lane Bryant and dressbarn. We finished the year with operational strength and performed well relative to our expectations in a challenging environment.

For the full year, our consolidated comparable sales performance was up 2%, which includes combined store and e-commerce sales. Our income from continuing operations decreased by 10% to \$155 million, or \$.95 per share on a diluted basis. The decline in income from operations was primarily driven by transaction, financing and integration-related expenses from the Lane Bryant and Catherines acquisition.

“BY HAVING A SINGLE DISTRIBUTION CENTER FOR ALL STORES AND ONE E-COMMERCE FULFILLMENT CENTER, EACH WITH LEADING EDGE TECHNOLOGY, WE’LL REALIZE SIGNIFICANT SAVINGS AND EFFICIENCY.”

Our stock price fluctuated over the course of the year, reflecting our challenges and the tough environment, but as always, we remain intently focused on the long-term positioning of the Company. We made significant investments in our operating infrastructure and shared services platform which we will leverage over time. We will continue to focus on improving our enduring ability to generate growth, significant cash flow, and strong margins.

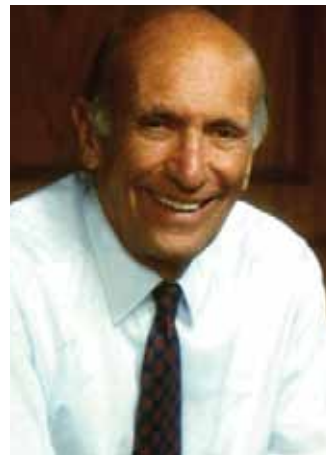
A major focus of our integration this past year has been preparing for our distribution center transitions. By having a single distribution center for all stores and one e-commerce fulfillment center, each with leading edge technology, we’ll realize significant savings and efficiency.

Our brands will also benefit from shared service functions in many other areas, including combining our two direct sourcing teams, which will eventually support all of our brands. Another major focus for us will be our move of all brands to common systems, allowing us to plan and manage our business more effectively. Our brands will also have support in other functions, including human resources, lease administration, legal, employee benefits, and treasury. We will be able to work faster, better, and smarter. We believe the tool set and the scalable operating platform we give our brands will enable them to focus on the areas that touch their customers... merchandising, customer experience, and brand management.

This focus is increasingly important because today’s consumer has reduced discretionary expenditures, demands greater value for her dollar, and has become smarter and more educated with every passing season. We have a starting-line advantage across our concepts in this respect because our brands have long offered a very compelling combination of fashion, value, and great customer service. The lines between retail channels are blurring and we believe our business will benefit if we provide a seamless customer experience. We are in the early stages of developing a further advantage by embracing an omni-channel retailing philosophy. Today’s consumer shops the mall, surfs the web, and researches styles and prices before she makes a purchase decision. This can happen at home, at a store, or sometimes via an online purchase at a register in a store, when she finds that special item and wants it in just the right color and size.

We know that the path to creating value for our shareholders is by creating value for our customers. Across almost 4,000 stores, our nearly 50,000 associates know that customer service makes the difference. Point of sale is where the business happens and we are working hard to make sure that we enable our associates to maximize that opportunity.

We’d like to thank our shareholders for their support, our partners for their assistance in so many critical areas, and our associates for their loyalty and dedication, particularly with respect to our integration of Charming Shoppes and the transformational infrastructure projects of the past year. When we look back at 2013, we think we have set ourselves on the right path, met the challenges we encountered well and have begun to put down a solid foundation for the future. Looking forward, we’re excited to deliver on the promise of a great team, powerful brands, and a unique opportunity to grow our business and deliver value to our shareholders.



A handwritten signature in black ink, appearing to read "Elliot S. Jaffe".

Elliot S. Jaffe
Co-Founder
and Non-Executive Chairman



A handwritten signature in black ink, appearing to read "David Jaffe".

David Jaffe
President and
Chief Executive Officer

Justice & BROTHERS™



TO ENHANCE TWEENS' SELF-ESTEEM BY PROVIDING THEM THE "HOT-EST" FASHION AND LIFESTYLE PRODUCTS, IN A FUN ENVIRONMENT - ALL AT A GREAT VALUE FOR MOM!





Lane BRYANT





ALL WOMEN DESERVE GREAT FASHION. WE ARE HERE TO HELP HER DISCOVER AND ESTABLISH HER PERSONAL STYLE - INSIDE AND OUT - AS SHE CELEBRATES EVERY MOMENT AND OCCASION. WE ARE HER FASHION CONNECTION.

maurices



*SIMPLY THE BEST
HOMETOWN
SPECIALTY
RETAILER.*





dressbarn





*INSPIRING WOMEN
TO LOOK AND FEEL
BEAUTIFUL.*

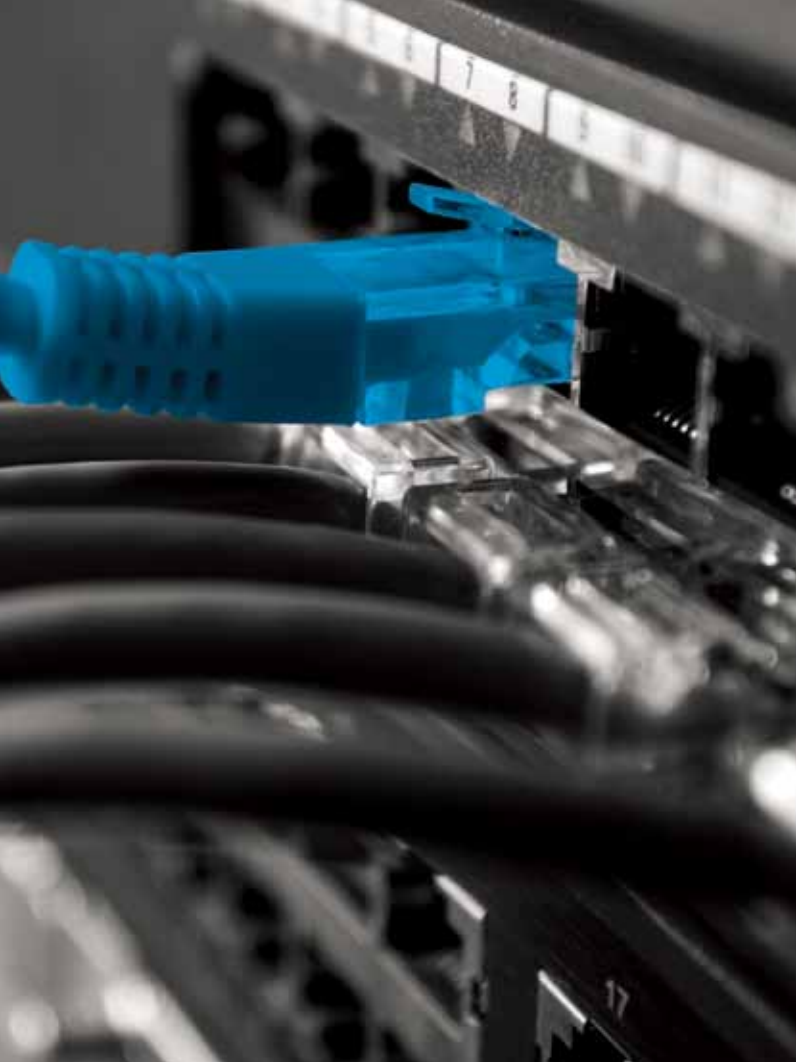
CATHERINES®



SERVING THE
LIFESTYLE AND FIT
NEEDS OF WOMEN
SIZE 18+ WITH
CURRENT FASHION
INSPIRING HER TO
LOOK AND FEEL
HER BEST.









ascena

shared services group

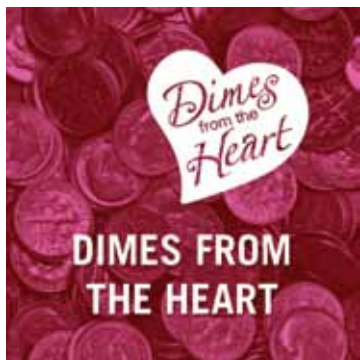
*OUR MISSION IS TO SUPPORT ALL CURRENT
AND FUTURE BRAND PARTNERS TO BETTER
EXECUTE THEIR BUSINESS PLANS BY
PROVIDING HIGH QUALITY EXPERTISE AND
COST EFFECTIVE SERVICE WITH PASSION,
INTEGRITY AND RESPECT.*





ascena
retail group inc.
CARES

Empowering Women & Children To Be Their Best



An emergency assistance fund (funded by associates & designed for associates) that allows our associates to apply for a grant of up to \$2,500.



Each brand or shared service will match time and/or monetary contributions up to \$500 per qualified associate each fiscal year.



Partnering with The American Red Cross or similar organization to help those in need. ascena may also provide partners with brand gift cards.



A scholarship program for children that are legal dependents of ascena associates.



WE'RE PLEASED TO ANNOUNCE...
THE ROSLYN JAFFE ASCENDING WOMEN IN LEADERSHIP AWARDS

The values of "community" and "giving back" are best exemplified in, and demonstrated by, Roslyn Jaffe, who co-founded dressbarn in 1962.

"Mrs. J," as she is affectionately referred to, played a significant role in building a family business into a successful enterprise with a family of brands. Her support for women in the workplace, her appreciation for family and community, creates a caring environment that is so unique to ascena's culture.

The award will be given annually, and we will announce our first recipient in Fall, 2014.

ASCENA'S PHILANTHROPIC VISION IS SIMPLE:

To empower women and children to be their best by creating opportunities in the areas of health, wellness, education and self-esteem.

Each brand has a rich heritage of "giving back" and everyday, associates across the company are making a difference...leaving a legacy. Here's a small sampling from 2013:

2013 marked the 11th consecutive year of dressbarn's participation in Dress for Success.

Did you know that dressbarn customers and associates have proudly donated over 640,000 gently used and new suits and career separates?

Lane Bryant's Making Strides Against Breast Cancer campaign is doing just that! In addition to the cause marketing campaign in stores, the home office and store associate walk donations (still in progress) have already raised over \$11,000.

The team at Justice has made a significant contribution to fund the lobby of Nationwide Children's Hospital. During these drives, associates can donate small furry friends that are used to comfort a child when first arriving at the ER.

Maurices empowers their associates to directly give back to their community and in 2013, hosted over 4,000 Hometown Pride events.

The team at Catherines is working hard to stop diabetes by raising money through local walks as well as the sale of their Generosity Tee.

Members of the Watkins Memorial High School were thrilled when the Ascena Shared Services Group offered to be a Foundation Donor to help fund their new football field.

These highlights are a fraction of the impactful work being done by our brands and the Ascena Shared Services Group.



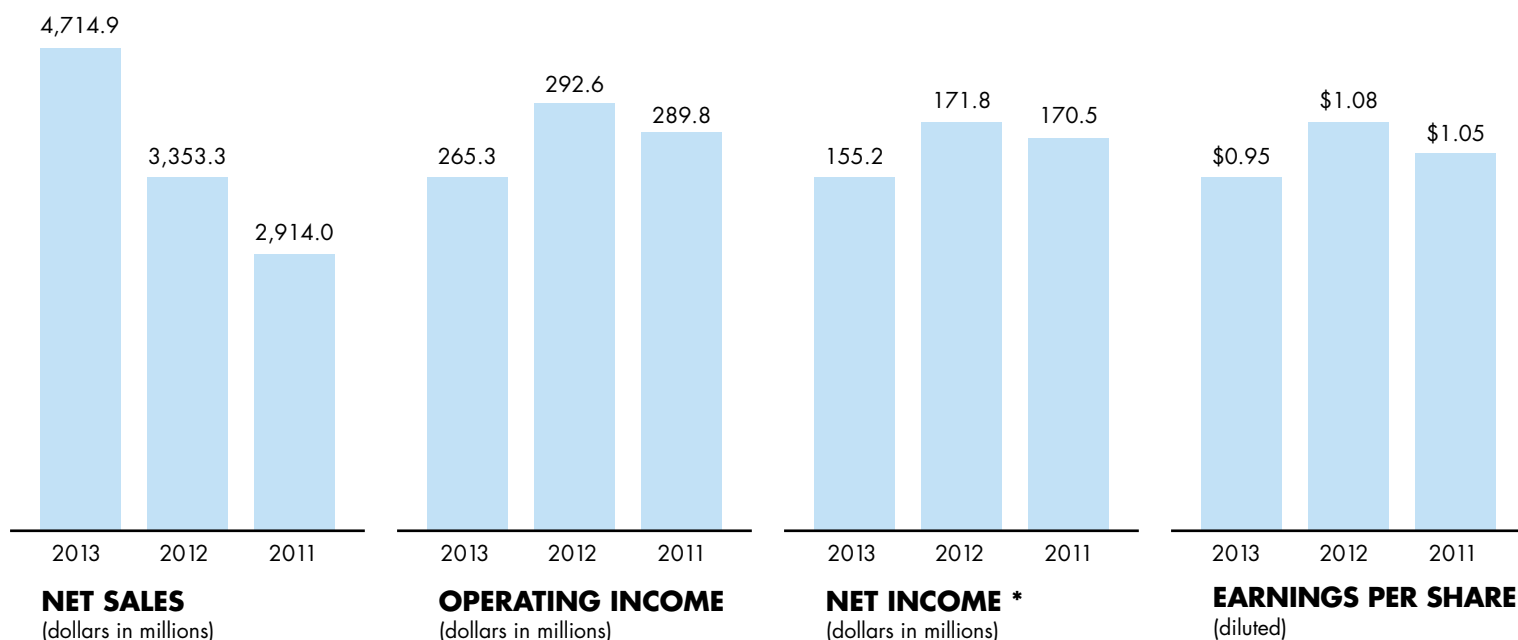
2013 FINANCIAL HIGHLIGHTS

(dollars in millions, except per share amounts)

	2013	2012	2011
OPERATING RESULTS			
Net sales	\$4,714.9	\$3,353.3	\$2,914.0
Operating income	265.3	292.6	289.8
Net income *	155.2	171.8	170.5
Net income as a percent of net sales *	3.3%	5.1%	5.9%
Net income per common share - diluted *	\$0.95	\$1.08	\$1.05

FINANCIAL POSITION

Working capital	\$290.2	\$319.0	\$378.3
Total assets	2,871.7	2,807.1	1,839.6
Total equity	1,556.4	1,340.9	1,158.0
Number of stores at end of fiscal period	3,859	3,828	2,516
Total gross square footage (in millions)	21.0	20.8	14.1



* REPRESENTS NET INCOME FROM CONTINUING OPERATIONS ONLY.

DIRECTORS, OFFICERS AND KEY MANAGEMENT

DIRECTORS

Elliot S. Jaffe

Co-Founder & Non-Executive Chairman

David Jaffe

President & Chief Executive Officer

Roslyn S. Jaffe

Co-Founder, Secretary & Director Emeritus

(1) Member, Compensation and Stock Incentive Committee

Kate Buggeln ^{1,2}

Governing Board, Business Council for Peace

John Usdan ^{1,2,3}

President, Midwood Management Corporation

Michael W. Rayden

President & Chief Executive Officer, Justice

(2) Member, Audit Committee

Klaus Eppler ³

Pensioned Partner, Proskauer Rose LLP

Randy L. Pearce ^{1,2}

(3) Member, Nominating Committee

ASCENA RETAIL GROUP, INC.

Elliot S. Jaffe

Co-Founder & Non-Executive Chairman

David Jaffe

President & Chief Executive Officer

Dirk Montgomery

EVP, Chief Financial Officer

John Sullivan

EVP, Chief Operating Officer

Ronnie Robinson

President, Ascena Global Sourcing

Eric Specter

EVP, Chief Integration Officer & Acting President, Catherines

Robb Giammatteo

SVP, Financial Planning & Analysis

David L. Johns

SVP, Chief Information Officer

Jay Levine

SVP, Chief Accounting Officer & Corporate Controller

Jeffrey Liss

SVP, Digital Services

Gene Wexler

SVP, General Counsel & Assistant Secretary

Colin Stern

EVP, General Counsel, Charming Shoppes

John Lee

SVP, Controller & Chief Accounting Officer, Charming Shoppes

Kirk Simme

SVP, Credit, Charming Shoppes

JUSTICE

Michael W. Rayden

President & Chief Executive Officer

Scott Bracale

President, Agency

Rolando de Aguiar

EVP, Chief Financial Officer

Lece Lohr

EVP, Chief Merchandising Officer

Alan Hochman

SVP, Real Estate & Store Planning

Chris Kaighn

SVP, Stores & Store Operations

Brian Rogers

SVP, Human Resources

Christine Williams

SVP, Planning & Allocation

Lucia Murillo

SVP, Design

LANE BRYANT

Linda Heasley

President & Chief Executive Officer

Lou Ann Bett

EVP, Chief Merchandising Officer

Scott Glaser

SVP, Chief Financial Officer

Theresa Sullivan

SVP, Human Resources

Lauren Tessaro

SVP, General Merchandising Manager, Cacique

Sandra Tillet

SVP, Stores

Jeffrey Parisian

SVP, Real Estate

Rebecca Perry

SVP, Design

MAURICES

George Goldfarb

President

Erin Stern

EVP, Chief Merchandising Officer

Sue Ross

EVP, Human Resources

Brad Hartmann

SVP, Chief Creative Officer

Mike Herrick

SVP, Planning & Allocation

Neil McPhail

SVP, Stores

Brian Thun

SVP, Chief Financial Officer

Mary Bradley

SVP, General Merchandise Manager

DRESSBARN

Jeff Gerstel

President

Keith Fulsher

EVP, Chief Merchandising Officer

John Pershing

EVP, Human Resources

Lori Wagner

EVP, Chief Marketing Officer & E-Commerce

Gil Dennis

SVP, Stores

Etta Granata

SVP, Creative

Robin Gray

SVP, Planning & Allocation

Ben Moore

SVP, Store Development

Elise Jaffe

SVP, Real Estate

Raana Zia

SVP, Chief Financial Officer

CATHERINES

Joan Munnelly

SVP, Chief Merchandising Officer

Brett Schneider

SVP, Finance & Operations

Chip Mardis

VP, Human Resources

Kate McKee

VP, Design/Product Development

Brad Orloff

VP, Marketing

Susan Reiman

VP, Stores

Mark Stoddard

VP, Planning & Allocation

CORPORATE INFORMATION

THE ANNUAL MEETING

The Annual Meeting of Stockholders of the Company will be held:

Thursday, December 12, 2013, 3:30pm
Crowne Plaza Hotel
3 Executive Boulevard
Suffern, NY 10901

FORM 10-K

A copy of the company's Annual Report on Form 10-K for the fiscal year ended July 27, 2013 will be provided to stockholders upon written request to:

Investor Relations
Ascena Retail Group, Inc.
30 Dunnigan Drive
Suffern, NY 10910

TRANSFER AGENT & REGISTRAR

(for registered stockholders)

Communications concerning stockholder records, the transfer of shares, lost certificates or change of address should be directed to:

American Stock Transfer & Trust Company
59 Maiden Lane
New York, NY 10038

Beneficial Stockholders (shares held by your broker in the name of the brokerage house) should direct questions to their broker.

INDEPENDENT COUNSEL

Proskauer Rose LLP
Eleven Times Square
New York, NY 10036

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP
30 Rockefeller Plaza
New York, NY 10112

