

SCARBOROUGH JAMES  
Form 4  
August 28, 2008

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
SCARBOROUGH JAMES

2. Issuer Name and Ticker or Trading Symbol  
STAGE STORES INC [SSI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
10201 MAIN STREET  
  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
08/26/2008

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Chairman & CEO

HOUSTON, TX 77025

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	Price	
Common Stock	08/26/2008		M		48,777	A \$ 6.67	99,196 D
Common Stock	08/26/2008		S		48,777 <u>(1)</u>	D \$ 16.0301 <u>(2)</u>	50,419 D
Common Stock	08/26/2008		M		11,199	A \$ 7.22	61,618 D
Common Stock	08/26/2008		S		11,199 <u>(1)</u>	D \$ 16.0062 <u>(3)</u>	50,419 D
	08/27/2008		M		31,875	A \$ 6.67	82,294 D

Common Stock							
Common Stock	08/27/2008	S	31,875 <u>(1)</u>	D	\$ 16.0025 <u>(4)</u>	50,419	D
Common Stock	08/27/2008	M	45,032	A	\$ 7.22	95,451	D
Common Stock	08/27/2008	S	45,032 <u>(1)</u>	D	\$ 16.0003 <u>(5)</u>	50,419	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Stock Option	\$ 6.67	08/26/2008		M	48,777	08/24/2005 08/24/2011	Common Stock 48,777
Stock Option	\$ 7.22	08/26/2008		M	11,199	08/24/2002 08/24/2011	Common Stock 11,199
Stock Option	\$ 6.67	08/27/2008		M	31,875	08/24/2005 08/24/2011	Common Stock 31,875
Stock Option	\$ 7.22	08/27/2008		M	45,032	08/24/2002 08/24/2011	Common Stock 45,032

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCARBOROUGH JAMES	X		Chairman & CEO	

10201 MAIN STREET  
HOUSTON, TX 77025

## Signatures

/s/ James

Scarborough

08/28/2008

  Signature of  
Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) This sale was made pursuant to a pre-established, written plan for trading securities pursuant to Rule 10b5-1 adopted by the Securities Exchange Act of 1934.  
Reflects the weighted average sale price. Prices ranged from \$16.00 to \$16.20. The Reporting Person undertakes to provide upon request by the Commission staff, the Issuer, or a security holder of the Issuer, full information regarding the number of shares sold at each separate price.
- (2) Reflects the weighted average sale price. Prices ranged from \$16.00 to \$16.02. The Reporting Person undertakes to provide upon request by the Commission staff, the Issuer, or a security holder of the Issuer, full information regarding the number of shares sold at each separate price.
- (3) Reflects the weighted average sale price. Prices ranged from \$16.00 to \$16.01. The Reporting Person undertakes to provide upon request by the Commission staff, the Issuer, or a security holder of the Issuer, full information regarding the number of shares sold at each separate price.
- (4) Reflects the weighted average sale price. Prices ranged from \$16.00 to \$16.001. The Reporting Person undertakes to provide upon request by the Commission staff, the Issuer, or a security holder of the Issuer, full information regarding the number of shares sold at each separate price.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.