

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

OMB APPROVAL	
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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>ROWAN FREDERICK J II</u>  (Last) (First) (Middle) <u>C/O CARTER'S, INC., THE PROSCENIUM</u> <u>1170 PEACHTREE STREET NE, SUITE 900</u>  (Street) <u>ATLANTA GA 30309</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>CARTERS INC [ CRI ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chief Executive Officer</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>08/25/2005</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

**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	(A) or (D)	Price			
Common Stock	08/25/2005		M		23,900	A	\$1.5	23,900	D	
Common Stock	08/25/2005		S		10,000	D	\$56.53	13,900	D	
Common Stock	08/25/2005		S		10,000	D	\$56.07	3,900	D	
Common Stock	08/25/2005		S		3,900	D	\$56	0	D	
Common Stock	08/26/2005		M		11,900	A	\$1.5	11,900	D	
Common Stock	08/26/2005		S		11,900	D	\$55.19	0	D	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Rolled Employee Stock Option (Right to Buy)	\$1.5	08/25/2005		M		23,900	(1)	08/15/2011		Common Stock	23,900	\$0	867,178	D	
Rolled Employee Stock Option (Right to Buy)	\$1.5	08/26/2005		M		11,900	(1)	08/15/2011		Common Stock	11,900	\$0	855,278	D	
Performance Employee Stock Option (Right to Buy)	\$44.01	08/29/2005 <sup>(2)</sup>		A		200,000	(3)	05/13/2012		Common Stock	200,000	\$0	200,000	D	
Basic Employee Stock Option (Right to Buy)	\$6.16						(4)	08/15/2011		Common Stock	265,441		265,441	D	
Performance Employee Stock Option (Right to Buy)	\$6.16						(4)	08/15/2011		Common Stock	264,914		264,914	D	

**Explanation of Responses:**

- These options became 100% exercisable upon the date of Mr. Rowan's Restated Stock Option Agreement on August 15, 2001.
- These options were approved by the Board of Directors on May 13, 2005 and issued pursuant to an employment agreement with Mr. Rowan that was executed on August 29, 2005.
- These options are performance options that vest upon the achievement of defined performance criteria.
- These options are exercisable in five equal annual installments beginning on August 15, 2002.

By: /s/ Fredrick J. Rowan, II 08/29/2005

\*\* Signature of Reporting Person Date

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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