December 12, 1994

Securities and Exchange Commission
Washington, D.C. 20549

Gentlemen:

Pursuant to the requirements of the Securities Exchange Act of 1934, we are transmitting herewith the attached Form 10-Q for the quarter ended October 28, 1994.

Sincerely,

KATHY L. GIES
Lands' End, Inc.
One Lands' End Lane
Dodgeville, WI. 53556

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark one)

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.
For the Quarter Ended October 28, 1994

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 1-9769

LANDS' END, INC.
(Exact name of registrant as specified in its charter)

DELAWARE (State or other jurisdiction of incorporation or organization)	36-2512786 (I.R.S. Employer Identification No.)
Lands' End Lane, Dodgeville, WI (Address of principal executive offices)	53595 (Zip code)
Registrant's telephone number, including area code	608-935-9341

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of December 12, 1994:

Common stock, $.01 par value 34,887,356 shares outstanding

LANDS' END, INC. & SUBSIDIARIES
INDEX TO FORM 10-Q

LANDS' END, INC. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	Three Months Ended October 28, 1994	Three Months Ended October 29, 1993
	(Unaudited)	
Net Sales	$246,209	$215,133
Cost of sales	146,033	127,620
Gross profit	100,176	87,513
Selling, general and administrative expenses	93,539	74,031
Income from operations	6,637	13,482
Other income (expense):		
Interest expense	(971)	(228)
Interest income	-	-
Other	665	(137)
Total other expense, net	(306)	(365)
Income before income taxes	6,331	13,117
Income tax provision	2,498	5,141
Net income	$ 3,833	$ 7,976
Net income per share	$ 0.11	$ 0.22

Note: Per share data reflects the two-for-one stock split declared in May 1994.

The accompanying notes to consolidated financial statements are an integral part of these consolidated statements.

LANDS' END, INC. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	Nine Months Ended October 28, 1994	Nine Months Ended October 29, 1993
	(Unaudited)	
Net Sales	$613,053	$522,466
Cost of sales	355,836	308,091
Gross profit	257,217	214,375
Selling, general and administrative expenses	237,053	188,320
Income from operations	20,164	26,055
Other income (expense):		
Interest expense	(1,285)	(266)
Interest income	67	128
Other	1,102	(31)

Total other expense, net	(116)	(169)
Income before income taxes and cumulative effect of change in accounting..............	20,048	25,886
Income tax provision.......................	7,916	10,113
Net income before cumulative effect of change in accounting.......................	$ 12,132	$ 15,773
Cumulative effect of change in accounting for income taxes.................	-	1,300
Net income	$ 12,132	$ 17,073
Net income per share before cumulative effect of change in accounting............	$ 0.34	$ 0.44
Cumulative effect of change in accounting	-	0.04
Net income per share	$ 0.34	$ 0.48

Note: Per share data reflects the two-for-one stock split declared in May 1994.

The accompanying notes to consolidated financial statements are an integral part of these consolidated statements.

LANDS' END, INC. & SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands)

	October 28, 1994 (Unaudited)	January 28, 1994
Assets		
Current assets:		
Cash and cash equivalents...........	$ 1,020	$ 21,569
Receivables........................	3,304	3,644
Inventory..........................	254,516	149,688
Prepaid expenses....................	16,826	11,787
Income taxes receivable.............	417	-
Deferred income tax benefit.........	5,588	5,588
Total current assets....................	281,671	192,276
Property, plant and equipment, at cost:		
Land and buildings..................	67,749	60,866
Fixtures and equipment..............	70,486	57,769
Leasehold improvements..............	1,922	1,346
Total property, plant and equipment......	140,157	119,981
Less - accumulated depreciation and amortization..................	47,261	40,290
Property, plant and equipment, net.......	92,896	79,691
Intangibles, net........................	3,704	1,863
Total assets...........................	$378,271	$273,830
Liabilities and shareholders' investment		
Current liabilities:		
Lines of credit.....................	$106,252	$ -
Current maturities of long-term debt.	40	40
Accounts payable....................	72,595	54,855
Reserve for returns.................	4,643	3,907
Advance payment on orders...........	472	568
Accrued liabilities.................	21,450	16,875
Accrued profit sharing..............	460	2,276
Income taxes payable................	-	12,528
Total current liabilities................	205,912	91,049
Long-term debt, less current maturities..	40	40
Deferred income taxes....................	5,200	5,200
Long-term liabilities....................	604	256
Shareholders' investment:		
Common stock, 40,221 and 20,110 issued respectively...............	402	201
Donated capital.....................	8,400	8,400
Paid-in capital.....................	25,301	24,888
Deferred compensation................	(1,586)	(2,001)
Currency translation adjustments.....	233	246

Retained earnings	205,584	193,460
Treasury stock, 5,341 and 2,154 shares at cost, respectively	(71,819)	(47,909)
Total shareholders' investment	166,515	177,285
Total liabilities and shareholders' investment	$378,271	$273,830

Note: Share data reflects the two-for-one stock split declared in May 1994.

The accompanying notes to consolidated financial statements are an integral part of these consolidated balance sheets.

LANDS' END, INC. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Nine Months Ended October 28, 1994 (Unaudited)	Nine Months Ended October 29, 1993 (Unaudited)
Cash flows (used for) from operating activities:		
Net income before cumulative effect	$ 12,132	$ 15,773
Adjustments to reconcile net income to net cash flows from operating activities -		
Depreciation and amortization	8,339	6,073
Deferred compensation expense	415	184
Loss on sales of fixed assets	96	285
Changes in current assets and liabilities excluding the effects of acquisitions:		
Receivables	891	(839)
Inventory	(102,408)	(102,164)
Prepaid expenses	(5,010)	(16,880)
Income taxes receivable	(417)	-
Accounts payable	17,740	40,300
Reserve for returns	736	289
Advance payment on orders	(96)	(492)
Accrued liabilities	4,575	3,791
Accrued profit sharing	(1,816)	(702)
Income taxes payable	(12,528)	(8,053)
Other	335	521
Net cash flows used for operating activities	(77,016)	(61,914)
Cash flows (used for) from investing activities:		
Cash paid for capital additions and businesses acquired	(26,508)	(11,780)
Proceeds from sales of fixed assets	19	4
Net cash flows used for investing activities	(26,489)	(11,776)
Cash flows (used for) from financing activities:		
Proceeds from short-term borrowing	106,252	54,000
Tax effect of exercise of stock options	614	-
Purchases of treasury stock	(23,910)	(1,908)
Net cash flows from financing activities	82,956	52,092
Net increase (decrease) in cash and cash equivalents	(20,549)	(21,598)
Beginning cash and cash equivalents	21,569	22,754
Ending cash and cash equivalents	$ 1,020	$ 1,156
Supplemental cash flow disclosures:		
Interest paid	$ 902	$ 168
Income taxes paid	20,107	18,140

The accompanying notes to consolidated financial statements are an integral part of these consolidated statements.

LANDS' END, INC. & SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Information pertaining to October 28, 1994, and the three months ended October 28, 1994, and October 29, 1993, is unaudited.)

The condensed consolidated financial statements included herein have been prepared by Lands' End, Inc. (the company), without audit, pursuant to the rules and regulations of the Securities and Exchange Commission, and in the opinion of management contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the financial position. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the company believes that the disclosures are adequate to make the information presented not misleading. The results of operations for the interim periods disclosed within this report are not necessarily indicative of future financial results. It is suggested that these condensed consolidated financial statements be read in conjunction with the financial statements and the notes thereto included in the company's latest annual report on Form 10-K, and quarterly Form 10-Q's previously filed this year.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of business

Lands' End, Inc., (the company) is a direct marketer of traditionally styled apparel, domestics (primarily bedding and bath items), soft luggage, and other products.

Principles of consolidation

The consolidated financial statements include the accounts of the company and its subsidiaries after elimination of intercompany accounts and transactions.

Fiscal year

The company utilizes a 52-53 week fiscal year ending on the Friday nearest January 31.

Fair values of financial instruments

The fair value of financial instruments does not materially differ from their carrying values.

Inventory

Inventory, primarily merchandise held for sale, is stated at last-in, first-out (LIFO) cost, which is lower than market. If the first-in, first-out (FIFO) method of accounting for inventory had been used, inventory would have been approximately $19.9 million and $19.1 million higher than reported at October 28, and January 28, 1994, respectively.

Catalog costs

Prepaid expenses primarily consist of catalog production and mailing costs that have not yet been fully amortized over the expected revenue stream, which is approximately three months from the date catalogs are mailed.

(Information pertaining to October 28, 1994, and the three months ended October 28, 1994, and October 29, 1993, is unaudited.)

Depreciation

Depreciation expense is calculated using the straight-line method over the estimated useful lives of the assets, which are 20 to 30 years for buildings and land improvements and 5 to 10 years for leasehold improvements and furniture, fixtures, equipment, and software. The company provides one-half year of depreciation in the year of addition and retirement.

Intangibles

Intangible assets consist primarily of goodwill, the excess of cost over the fair market value of net assets of businesses purchased. Goodwill is being amortized over 40 years on a straight-line basis. Other intangibles are amortized over a shorter life. Total accumulated amortization of all intangibles was $254,000 as of October 28, 1994.

Net income per share

Net income per share is computed by dividing net income by the weighted average number of common shares outstanding during each period. The weighted average common shares outstanding were 34.9 million and 35.9 million after the two-for-one stock split (See Note 2) for the three-month periods ended October 28, 1994, and October 29, 1993, respectively; and 35.3 million and 36.0 million for the nine-month periods ended October 28, 1994, and October 29, 1993, respectively. Common stock equivalents includes awards, grants and stock options which have been issued by the company. The common stock equivalents do not significantly dilute basic earnings per share.

Reserve for losses on customer returns

At the time of sale, the company provides a reserve equal to the gross profit on projected merchandise returns, based on its prior returns experience.

Forward exchange contracts and import letters of credit

1. Forward exchange contracts are for delivery or purchase of foreign currencies at specified future dates. These contracts are entered into by the company as a hedge against foreign currency exposures. At October 28, 1994, the company had forward exchange contracts maturing during fiscal 1995 to sell approximately 1.6 million British pounds and 167.9 million yen, and to purchase about 39.6 million yen and 1.6 million Canadian dollars.
2. Import letters of credit are for commitments issued through third parties to guarantee payments for merchandise within specified time periods according to terms of the agreements. Import letters of credit were approximately $15.7 million as of October 28, 1994.

Foreign currency translation

Financial statements of the foreign subsidiaries are translated into U.S. dollars in accordance with the provisions of SFAS 52. Foreign currency translation gains were $233,000 and $279,000 for the nine-month periods ended October 28, 1994, and October 29, 1993, respectively.

Postretirement benefits

The company does not currently provide any postretirement benefits for employees other than profit sharing.

Reclassification

Certain financial statement amounts have been reclassified to be consistent with the fiscal 1995 presentation.

NOTE 2. SHAREHOLDERS' INVESTMENT

Capital stock

Upon shareholder approval, the company increased its authorized shares from 30 million shares of $0.01 par value common stock to 160 million in May 1994. The company has authorized 5 million shares of preferred stock, $0.01 par value. The company's board of directors has the authority to issue shares and to fix dividends, voting and conversion rights, redemption provisions, liquidation preferences, and other rights and restrictions of the preferred stock.

Two-for-one stock split

In May 1994, the company declared a two-for-one split in the company's common stock that was effected as a stock dividend payable on June 15, 1994, to shareholders of record as of May 31, 1994. The stock split resulted in an increase in the stated capital of the company from $201,103 to $402,206 with a corresponding reduction in paid-in capital. This has been reflected retroactively in the share presentation and earnings per share calculations presented.

Treasury stock

The company's board of directors authorized the additional purchase of 1.0 million shares of the company's common stock. This increased the total shares authorized to be purchased from 3.1 million to 4.1 million. After the two-for-one stock split in May 1994, this number increased from 4.1 million shares to 8.2 million. After the effect of the stock split, a total of 6.0 million and 4.8 million shares had been purchased as of October 28, and January 28, 1994, respectively.

Stock awards and grants

Shareholders of the company have approved the company's restricted stock award plan. Under the provisions of the plan, a committee of the company's board of directors may award shares of the company's common stock to its officers and key employees. Such shares generally vest over a ten-year period on a straight-line basis from the date of the award.

In addition, the company has granted shares of its common stock to individuals as an inducement to enter the employ of the company. The shares granted are subject to vesting on a straight-line basis over a ten-year period.

After the effect of the two-for-one stock split, the following table reflects the activity under the stock award and stock grant plans:

	Awards	Grants
Balance at January 31, 1991	100,000	22,000
Granted	-	
Forfeited	2,880	-
Balance at January 31, 1992	97,120	22,000
Granted	74,000	-
Forfeited	-	-
Balance at January 29, 1993	171,120	22,000
Granted	27,200	-
Forfeited	3,600	-
Balance at January 28, 1994	194,720	22,000
Granted	-	-
Forfeited	6,000	10,000
Balance at October 28, 1994	188,720	12,000

A total of 67,320 shares awarded and granted have vested as of October 28, 1994.

The granting of the above awards and grants has been recorded as deferred compensation based on the fair market value of the shares at the date of grant. Compensation expense under these plans is recorded as shares vest.

Stock options

Upon shareholder approval, the company increased its reserved shares from 1.0 million to 1.3 million shares of common stock, either authorized and unissued shares or treasury shares, for use by the plan. After the two-for-one stock split in May 1994, the shares increased from 1.3 million to 2.5 million. Options are granted at the discretion of a committee of the company's board of directors to officers and key employees of the company. No option may have an exercise price less than the fair market value per share of the common stock at the date of grant.

After the effect of the two-for-one stock split, activity under the stock option plan is as follows:

	Options	Average Exercise Price
Balance at January 31, 1991	900,000	$ 6.38
Granted	480,000	$12.69

Exercised	-	-
Balance at January 31, 1992	1,380,000	$ 8.57
Granted	80,000	$13.96
Exercised	400,000	$ 6.38
Balance at January 29, 1993	1,060,000	$ 9.81
Granted	637,200	$19.12
Exercised	8,000	$12.69
Balance at January 28, 1994	1,689,200	$13.31
Granted	-	-
Exercised	129,000	$ 6.62
Forfeited	480,000	$14.99
Balance at October 28, 1994	1,080,200	$13.36

The above options outstanding vest ratably over a 5 year period from the date of grant (760,200) or on the fifth anniversary from the date of grant (320,000). A total of 259,000 options have vested as of October 28, 1994. The outstanding options expire as follows:

1995	-	295,000
2001	-	272,000
2002	-	80,000
2003	-	433,200
		1,080,200

NOTE 3. INCOME TAXES

In January 1993, the company adopted Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes." Under the liability method prescribed by SFAS 109, deferred taxes are provided based upon enacted tax laws and rates applicable to the periods in which taxes become payable.

A valuation allowance has been established for the deferred income tax benefits related to certain subsidiary loss carryforwards, which may not be realized.

In all periods presented, the differences between income taxes at the statutory federal income tax rate of 35 percent, and income taxes reported in the consolidated statements of operations are due primarily to the effect of state income taxes.

NOTE 4. LINES OF CREDIT

On September 2, 1994, the company increased its unsecured lines of credit from a total of $110 million to $130 million. Borrowings bear interest at the banks' prime rates, or at the company's option, LIBOR plus a fixed percentage, or Federal Funds rate-based negotiated pricing or the banks' Wholesale Certificate of Deposit rate plus a fixed percentage. There was $99 million outstanding at October 28, 1994, at interest rates averaging 5.4%, compared to no outstanding amount on January 28, 1994.

In addition, the company has unsecured lines of credit with foreign banks totaling the equivalent of $20 million for a wholly owned foreign subsidiary. There was $7 million outstanding at October 28, 1994, at interest rates averaging 3.0%, compared to none as of January 28, 1994.

NOTE 5. LONG-TERM DEBT

Long-term debt was $40,000 as of October 28, 1994, and January 28, 1994.

The company has an agreement which expires December 31, 1995, with a bank for a $20 million credit facility. As of September 2, 1994, this facility has been temporarily converted to unsecured lines of credit (see Note 4 above). Outstanding balances will bear interest at the bank's prime rate or, at the company's option, LIBOR plus a fixed percentage. The company is currently in compliance with all lending conditions and covenants related to this debt facility.

NOTE 6. LEASES AND PURCHASE COMMITMENTS

The company leases store and office space and equipment under various leasing arrangements. The leases are accounted for as operating leases. Total rental expense under these leases was $1.8 million and $1.9 million for the three-month periods ended October 28, 1994, and October 29, 1993, respectively. Rental expense for the nine-month periods ended October 28, 1994, and October 29, 1993, was $5.8 million and $5.2 million, respectively.

Total future fiscal year commitments under these leases as of October 28, 1994, are as follows (in thousands):

1995 (three months)	$ 1,628
1996	5,697
1997	4,812
1998	2,747
1999	969
After 1999	2,467
	$18,320

Purchase commitments as of October 28, 1994, for property, plant and equipment were $5.7 million.

NOTE 7. RETIREMENT PLAN AND ACCRUED COMPENSATION

The company has a retirement plan which covers most regular employees and provides for annual contributions at the discretion of the board of directors. Also included in the plan is a 401(k) feature which allows employees to make contributions and the company to match a portion of those contributions. Total expense provided under this plan was $669,000 and $832,000 for the three-month periods ended October 28, 1994, and October 29, 1993, respectively. Total expenses were $1.8 million and $1.9 million for the nine-month periods ended October 28, 1994, and October 29, 1993, respectively. Accrued liabilities include accrued compensation of $1.7 million and $1.6 million at October 28, 1994, and January 28, 1994, respectively.

NOTE 8. STATE SALES AND USE TAX

A Supreme Court decision confirmed in May 1992, that the Commerce Clause of the United States Constitution prevents a state from requiring the collection of its use tax by a mail order company unless the company has a physical presence in the state. The company believes that the decision invalidated laws adopted by a number of states, including California and Tennessee, which purported to require out-of-state mail order companies to collect and remit sales and use taxes with respect to mail order sales in such states. However, the decision also established that Congress has the power to enact legislation which would permit states to require such collection by mail order companies. Congress is currently addressing a bill which would require mail order companies to collect and remit sales and use tax in all states. It is anticipated that the change, if adopted, will be applied prospectively. Although such a change would likely influence the buying decisions of some customers, the company believes there would be no material adverse effect on financial results.

NOTE 9. ACQUISITION

In July 1994, the company formed a wholly-owned subsidiary that acquired the marketing rights and assets of MontBell America, Inc., which designs, develops and distributes premier technical outdoor clothing and equipment through the wholesale channel to outdoor specialty stores, primarily in the United States. MontBell America, Inc., had sales of $2.3 million in 1993.

In March 1993, the company purchased a majority interest in a catalog company, The Territory Ahead. Merchandise offered in the catalog consists of private label sportswear, accessories and luggage. They design casual merchandise that is colorful and has an outdoor flavor. The emphasis is on fine detailing, unique fabrications, updated styling, and excellent quality. Beginning in 2003, the minority shareholders have the option to require the company to purchase their shares, and the company will have the option to require the minority shareholders to sell their shares in The Territory Ahead. The price per share would be based on the fair market value of The Territory Ahead.

Results of operations of MontBell America, Inc., and The Territory Ahead were not material to the company, and as a result, no pro forma data is presented. The transactions were accounted for using the purchase method. The excess of the purchase price over the fair value of net assets was recorded as goodwill. The operating results of MontBell America, Inc., and The Territory Ahead are included in the consolidated financial statements of the company from their respective dates of acquisition.

Item 2. Management's Discussion and Analysis

Results of Operations

Three Months Ended October 28, 1994, compared with Three Months Ended October 29, 1993

The company's net sales in the third quarter of fiscal 1995 increased 14.0 percent to $246.2 million from $215.1 million in the third quarter of fiscal 1994. Net sales for the quarter just ended rose mainly due to a higher level of liquidation sales and increased sales from specialty catalogs, as well as higher sales from international and new business areas. During the third quarter, circulation of all catalogs was increased over the prior year. The company's major spring/summer clearance catalog contained more pages and was mailed to a larger group of customers than in the past. Higher sales from this catalog, combined with the discontinuation of the October interim catalog, contributed to flat sales for the full price primary issues mailed during the quarter. Customer demand in response to primary catalogs mailed continued to be below management's expectations into the fourth quarter.

Gross profit in the quarter just ended was $100.2 million, or 40.7 percent of net sales, compared with $87.5 million, also 40.7 percent of net sales, in the third quarter of the prior year. The increase in gross profit dollars was due to the overall volume increases mentioned above. While there was a decrease in gross profit margin in the quarter just ended due to steeper markdowns and a higher level of liquidated merchandise, this was offset by higher initial markups on full-price merchandise. Liquidations of excess inventory totaled about 15 percent of net sales during the quarter, compared to almost 12 percent in the same period last year.

Inventory at the end of the third quarter was $255 million, up 21 percent from $210 million a year ago. The increase in inventory levels has occurred in part to achieve higher order fulfillment levels to service the growth in sales. Also, the growth in the United Kingdom, The Territory Ahead and Japan, and the addition of Montbell has contributed to the overall increase in inventory. Primarily because of higher inventory levels throughout the quarter just ended, the company had about $106 million of short-term debt outstanding as of October 28, 1994, compared with $54 million at the end of the same quarter last year. Higher inventory levels may result in greater product liquidations in future periods.

Selling, general and administrative expenses increased 26 percent to $93.5 million in the quarter just ended, compared with $74.0 million in the same period last year. As a percentage of sales, SG&A was 38.0 percent, compared with 34.4 percent in the third quarter last year. The rise in the SG&A ratio was mainly due to the company's continued aggressive investment spending to build its international and new businesses, to expand customer acquisition programs in advance of next year's 15% postal rate hike and anticipated paper price increases, to enhance its customer service by offering two-day UPS delivery service, and to continue to upgrade its information systems. Some examples of projects completed during the quarter include the launch of the Japanese catalog, mailings of three foreign language test catalogs into Europe and the first mailing of the MontBell catalog.

Net income in the third quarter of fiscal 1995 was $3.8 million or $0.11 per share compared with net income of $8.0 million, or $0.22 per share in the third quarter last year, a decline of about 52 percent.

Nine Months Ended October 28, 1994, compared with Nine Months Ended October 28, 1993

The company's net sales in the first nine months of fiscal 1995 increased 17 percent to $613.1 million from $522.5 million in the same period last year. Net sales rose mainly due to increased circulation of primary and specialty catalogs. Additional benefit to net sales came from strong performances from the company's international and new businesses, The Territory Ahead and Corporate Sales.

Gross profit of $257.2 million for the first nine months of fiscal 1995 increased 20 percent from $214.4 million in the same nine-month period last year. The increase in gross profit was due principally to the same factors disclosed above for the third quarter ended October 28, 1994. As a percentage of net sales, gross profit increased from 41.0 percent in fiscal 1994 to 42.0 percent in fiscal 1995. The percentage of increase was due in part to reduced merchandise costs and increased margin through better sourcing. Year-to-date liquidation sales of 12 percent is about the same as last year.

Selling, general and administrative expenses increased 25.9 percent to $237.1 million in the first nine months of fiscal 1995 from $188.3 million in the same period last year. This increase was due primarily to the increased sales volume, as well as the investment spending previously mentioned. As a percentage of net sales, selling, general and administrative expenses increased to 38.7 percent in fiscal 1995 from 36.0 percent in fiscal 1994. The percentage increased as a result of increased catalog advertising, greater fixed expenses related to the previously mentioned increase in investment spending, and relatively higher variable costs (due primarily to higher shipping and handling costs).

Net income in the first nine months of fiscal 1995 was $12.1 million, or 34 cents per share, compared with $15.8 million, or 44 cents per share, earned in the first nine months of the prior year before the cumulative effect of an accounting change. During the first quarter last year, the company adopted Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes," as required. This added $1.3 million of net income, or 4 cents per share, to the results for the first nine months of fiscal 1994, bringing the total for that period to 48 cents per share. (All per share amounts have been adjusted to reflect the two-for-one stock split declared in May 1994.)

The Financial Accounting Standards Board recently issued Statement Nos. 112 and 115, "Employer's Accounting for Post-employment Benefits" and "Accounting for Certain Investments in Debt and Equity Securities," respectively. The company adopted these standards in the first quarter of fiscal 1995, and no amounts are disclosed due to no material amounts existing.

Seasonality

The company's business is highly seasonal. The fall/winter season, which the company regards as a five-month period ending in December, includes the peak selling season during the Thanksgiving and Christmas holidays in the company's fourth quarter. In the longer spring/summer season, orders are fewer and the merchandise offered generally has lower unit selling prices than products offered in the fall/winter season. As a result, net sales are usually substantially greater in the fall/winter season and SG&A as a percentage of net sales is usually higher in the spring/summer season. In addition, as the company continues to refine its marketing efforts by experimenting with the timing of its catalog mailings, quarterly results may fluctuate.

Liquidity and Capital Resources

To date, the bulk of the company's working capital needs have been met through funds generated from operations and from short-term bank lines. The company's principal need for working capital has been to meet peak inventory requirements associated with its seasonal sales pattern. In addition, the company's resources have been used to purchase treasury stock, to make asset additions, pay cash dividends to shareholders, to acquire the marketing rights and assets of MontBell America, Inc., and to purchase a majority interest in a specialty catalog company, The Territory Ahead.

The company could experience an adverse impact to expenses if there is a legislated change in health care benefits provided to temporary employees. Due to the seasonal nature of the business, it is a necessity that the company utilize temporary employees during the busy holiday season. During the peak winter season of fiscal 1995, it is estimated that approximately 4,200 of the company's 7,400 employees will be temporary employees. Currently, health care benefits are not provided to temporary employees.

The company continues to explore investment opportunities arising from the expansion of its international business, the development of new businesses and the acquisition of existing businesses. While this aggressive investment spending is having a negative impact on earnings, it is not expected to have a material effect on liquidity.

As of September 2, 1994, the company increased its unsecured bank credit lines from a total of $110 million to $130 million, which is the amount available as of the date of filing. At October 28, 1994, the company had $99 million outstanding on its short-term lines of credit compared to $54 million as of October 29, 1993. The company has a separate $20 million bank facility available to fund treasury stock purchases and capital expenditures. This agreement has been temporarily converted to an unsecured line of credit and is included in the $130 million above. The facility runs through December 31, 1995.

In addition, the company obtained lines of credit with foreign banks totaling the equivalent of $20 million for a wholly owned foreign subsidiary. The company had about $7 million outstanding on these short-term lines of credit as of October 28, 1994.

The company purchased 6.0 million shares of its common stock from February 1, 1990, through December 12, 1994. As of December 12, 1994, the company was authorized to purchase up to an additional 2.2 million shares. For further information, see note 2 to the consolidated financial statements.

Capital expenditures for fiscal 1995 are currently planned to be about $25 million, of which $20.6 million had been expended through October 28, 1994. Major projects include constructing a second distribution center in Reedsburg, Wisconsin, new computer hardware and software, new material handling equipment, and furniture and fixtures. The company believes that its cash flow from operations and borrowings under its credit facilities will be adequate to meet its capital requirements and operational needs for the foreseeable future.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings
There are no material legal proceedings presently pending, except for routine litigation incidental to the business, to which Lands' End, Inc., is a party or of which any of its property is the subject.

Items 2 and 3 are not applicable and have been omitted.

Item 4. Submission of Matters to a Vote of Security Holders
There were no matters submitted to a vote of security holders for the quarter ended October 28, 1994.

Item 5. Other Information

On August 17, 1994, David F. Dyer, vice chairman of merchandising and sales resigned to accept the position of chief operating officer with Home Shopping Network in Florida. Dyer had been a member of the company's board of directors since 1991.

On December 2, 1994, William T. End, Chief Executive Officer and President resigned due to differences in management style with the board of directors. End had been a member of the board of directors since 1991.

Michael J. Smith has been named as Chief Executive Officer and President effective December 2, 1994. Smith was also appointed as a member of the board of directors.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits
The following exhibits are filed as a part of this report:

Table Number	Description	Exhibit Number
(10)	Fifth Amendment to Loan Agreement between the company and the American National Bank and Trust Company of Chicago, dated November 22, 1994.	2
(11)	Statement of recomputation of earnings per share	1

(b) Reports on Form 8-K
There were no reports filed on Form 8-K during the

three-month period ended October 28, 1994.

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, its duly authorized officer and chief financial officer.

LANDS' END, INC.

Date: December 12, 1994   By: STEPHEN A. ORUM
Stephen A. Orum
Executive Vice President and
Chief Operating Officer
(Chief Financial Officer)

LIST OF DOCUMENTS INCORPORATED BY REFERENCE

In addition to the exhibits filed with this report, the exhibits listed below have been heretofore filed with the Securities and Exchange Commission as exhibits to the company's registration statement on Form S-8 (File No. 33-46133) and on Form S-1 (File No. 33-08217) or to other filings with the Commission and are incorporated herein as exhibits by reference, pursuant to Rule 24 of the SEC Rules of Practice. The exhibit number of each document so filed is stated next to the description of such exhibit. The file number for all other documents is 1-9769.

Table Number	Description of Item	Exhibit Number	Document Description
(3)	Articles of Incorporation and By-laws:		
	Certificate of Incorporation of the company, as amended through October 3, 1986.	1	S-1
	Amendment to Certificate of Incorporation of the company, dated August 10, 1987.	3	10-Q October 1987
	Amendment to Certificate of Incorporation of the company, dated May 20, 1994.	4	10-Q July 1994
	Amended and Restated By-Laws of the company.	2	10-K 1993
(4)	Equity Instrument and Agreements relating to Debt Obligations:		

	Form of Certificate to evidence the Common stock.	1	10-Q August 1990
(10)	Material Contracts:		
	Form of letter from bank approving the company's unsecured line of credit and corresponding note.	7	10-K 1992
	Term Loan Note and Loan Agreement between the company and the American National Bank and Trust Company of Chicago.	11	10-Q August 1990
	First Amendment to Loan Agreement between the company and the American National Bank and Trust Company of Chicago, dated June 1, 1991.	13	10-Q August 1991
	Second Amendment to Loan Agreement between the company and the American National Bank and Trust Company of Chicago, dated January 27, 1992.	15	10-K 1992

Table Number	Description of Item	Exhibit Number	Document Description
(10)	Third Amendment to Loan Agreement between the company and the American National Bank and Trust Company of Chicago, dated December 11, 1992.	16	10-K 1993
	Fourth Amendment to Loan Agreement between the company and the American National Bank and Trust Company of Chicago, dated December 1, 1993.	1	10-K 1994
	Buying Agreement between the company and European Buying Agency, Ltd.	7	10-Q November 1990
	Salaried Incentive Bonus Plan.	9	S-1
	Second Amended and Restated 1989 Restricted Stock Plan of the company.	12	10-Q November 1991
	Amended and Restated Additional Incentive Bonus Plan of the company.	17	10-Q November 1991
	Stock Option Plan of the company.	2	10-K 1994
	Amended and Restated Retirement Plan, dated February 1, 1992.	3	10-K 1994
(13)	Annual Report to Shareholders for the fiscal year ended January 28, 1994.		10-K 1994

Exhibit 10.2

FIFTH AMENDMENT TO LOAN AGREEMENT

This Fifth Amendment to Loan Agreement (this "Fifth Amendment") dated as of November 22, 1994 by and between LANDS' END, INC., a Delaware corporation (the "Borrower"), and AMERICAN NATIONAL BANK AND TRUST COMPANY

OF CHICAGO, a national banking association (the "Bank").

WITNESSETH:

WHEREAS, the Borrower and the Bank are parties to a certain Loan Agreement dated as of July 19, 1990 (the "Loan Agreement") executed and delivered in connection with a $20,000,000 Term Loan which the Bank agreed to make to the Borrower, which Loan Agreement has been amended by a First Amendment to Loan Agreement dated as of June, 1991, a Second Amendment to Loan Agreement dated as of January 27, 1992, a Third Amendment to Loan Agreement dated as of December 11, 1992, and by a Fourth Amendment to Loan Agreement dated December 1, 1993 (said Loan Agreements and Amendments herein referred to as the "Loan Agreement"); and

WHEREAS, the Bank and the Borrower wish to replace the Master Draw Note with the previous Term Loan Note:

WHEREAS, the Bank and the Borrower wish to extend the time within which disbursement of said Term Loan may be made; and

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Borrower and the Bank agree as follows:

1. Replace Master Draw Note with Term Loan Note. The Master Draw Note in the amount of $20,000,000 dated August 24, 1994 that temporarily replaced the $20,000,000 Term Loan Note dated July 19, 1990, shall be terminated on December 31, 1994, and the Term Loan Note shall be reinstated on December 31, 1994.

2. Extension of Final Disbursement Date. The Final Disbursement Date under the Loan Agreement is hereby extended to December 31, 1995.

3. Representations and Warranties. Each of the representations and warranties of the Borrower set forth in Section 4.1 of the Loan Agreement is hereby remade and is on the date of this Fifth Amendment true and correct.

4. Agreement in Full Force and Effect. Except as expressly modified hereby, the Loan Agreement is and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Fifth Amendment to be duly executed and delivered by their respective officers as of the date first written above.

LANDS' END, INC.	AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO
By: MICHAEL L. KRENTZ	By: AMY L. ALBER
Title: Treasurer	Title: Second Vice President

Exhibit 11.1: Computation of Earnings Per Share

LANDS' END, INC. & SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
(In thousands, except per share amounts)

	Three Months Ended 10/28/94	Three Months Ended 10/29/93	Nine Months Ended 10/28/94	Nine Months Ended 10/29/93
Net income before cumulative effect of change in accounting...........	$ 3,833	$ 7,976	$12,132	$15,773
Cumulative effect of change in accounting for income taxes........	-	-	-	1,300
Net income	$ 3,833	7,976	12,132	17,073
Average shares of common stock outstanding during the period......	34,872	35,923	35,252	35,951
Incremental shares from				

assumed exercise of stock options (primary).................	353	556	407	426
	35,225	36,479	35,659	36,377
Net income per share before cumulative effect of change in accounting.....	$ 0.11	$ 0.22	$ 0.34	$ 0.43
Cumulative effect of change in accounting.....................	-	-	-	0.04
Primary earnings per share...........	$ 0.11	$ 0.22	$ 0.34	$ 0.47
Average shares of common stock outstanding during the period......	34,872	35,923	35,252	35,951
Incremental shares from assumed exercise of stock options (fully diluted)...................	353	601	407	602
	35,225	36,524	35,659	36,553
Net income per share before cumulative effect of accounting change........	$ 0.11	$ 0.22	$ 0.34	$ 0.43
Cumulative effect of change in accounting.....................	-	-	-	0.04
Fully diluted earnings per share.....	$ 0.11	$ 0.22	$ 0.34	$ 0.47
Average shares of common stock outstanding during the period......	34,872	35,923	35,252	35,951
Basic earnings per share............	$ 0.11	$ 0.22	$ 0.34	$ 0.48

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM CONSOLIDATED INCOME STATEMENT AND BALANCE SHEET FOR PERIOD ENDED 10/28/94, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
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