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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 31, 1997

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, 1997:

Common stock, $.01 par value 31,030,750 shares outstanding

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

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

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

	Three months ended	
	Oct. 31, 1997	Nov. 1, 1996
	(Unaudited)	
Net sales	$318,608	$287,420
Cost of sales	171,859	161,333
Gross profit	146,749	126,087
Selling, general and administrative expenses	129,769	115,769
Income from operations	16,980	10,318
Other income (expense):		
Interest expense	(953)	(235)
Interest income	3	4
Other	(2,468)	232
Total other income (expense), net	(3,418)	1
Income before income taxes	13,562	10,319
Income tax provision	5,400	4,162
Net income	$ 8,162	$ 6,157

Net income per share	$ 0.26	$ 0.19
Weighted average shares outstanding	31,767	32,895

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 data)

	Nine months ended Oct. 31, 1997 (unaudited)	Nine months ended Nov. 1, 1996 (unaudited)
Net sales	$783,211	$695,415
Cost of sales	421,197	385,122
Gross profit	362,014	310,293
Selling, general and administrative expenses	328,714	287,369
Income from operations	33,300	22,924
Other income (expense):		
Interest expense	(1,299)	(404)
Interest income	1,511	104
Gain on sale of subsidiary	7,805	-
Other	(3,156)	(31)
Total other income (expense), net	4,861	(331)
Income before income taxes	38,161	22,593
Income tax provision	15,265	9,077
Net income	$ 22,896	$ 13,516
Net income per share	$ 0.71	$ 0.41
Weighted average shares outstanding	32,123	33,255

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

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

	Oct. 31, 1997 (unaudited)	Jan. 31, 1997 (audited)	Nov. 1, 1996 (unaudited)
Assets			
Current assets:			
Cash and cash equivalents	$ 8,490	$ 92,827	$ 5,961
Receivables	20,746	8,739	10,892
Inventory	320,881	142,445	206,939
Prepaid advertising	27,260	11,066	18,423
Other prepaid expenses	6,335	5,440	4,735
Deferred income tax benefit	9,511	11,522	10,914
Total current assets	393,223	272,039	257,864
Property, plant and equipment, at cost:			
Land and buildings	75,264	72,360	72,377
Fixtures and equipment	113,634	98,642	95,871
Leasehold improvements	5,430	4,291	3,919
Construction in progress	9,360	1,337	-
Total property, plant and equipment	203,688	176,630	172,167
Less-accumulated depreciation and amortization	83,777	72,946	69,854
Property, plant and equipment, net	119,911	103,684	102,313
Intangibles, net	846	2,322	2,404
Total assets	$513,980	$378,045	$362,581
Liabilities and shareholders' investment			
Current liabilities:			
Lines of credit	$118,065	$ 11,195	$ 26,688
Accounts payable	135,129	76,585	92,649
Reserve for returns	6,328	5,184	5,132
Accrued liabilities	30,013	28,141	30,584
Accrued profit sharing	1,470	2,937	1,541
Income taxes payable	5,669	21,524	2,378
Total current liabilities	296,674	145,566	158,972
Deferred income taxes	8,122	8,814	7,212
Long-term liabilities	-	660	473
Shareholders' investment:			
Common stock, 40,221 shares issued	402	402	402
Donated capital	8,400	8,400	8,400
Additional paid-in capital	26,359	26,230	26,230
Deferred compensation	(1,129)	(1,370)	(1,440)
Currency translation adjustments	1,041	378	665
Retained earnings	333,957	311,061	273,625
Treasury stock, 9,067, 7,778 and 7,417 shares at cost, respectively	(159,846)	(122,096)	(111,958)
Total shareholders' investment	209,184	223,005	195,924
Total liabilities and shareholders' investment	$513,980	$378,045	$362,581

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

	Oct. 31, 1997 (unaudited)	Nov. 1, 1996
Cash flows from (used for) operating activities:		
Net income	$ 22,896	$ 13,516
Adjustments to reconcile net income to net cash flows from operating activities-		
Depreciation and amortization	12,050	10,054
Deferred compensation expense	241	(247)
Deferred income taxes	1,319	-
Pre-tax gain on sale of subsidiary	(7,805)	-
Loss on disposal of fixed assets	718	125
Changes in current assets and liabilities excluding the effects of acquisitions and divestitures:		
Receivables	(12,322)	(2,828)
Inventory	(184,272)	(42,123)
Prepaid advertising	(16,194)	(2,599)
Other prepaid expenses	(2,616)	560
Accounts payable	63,002	30,269
Reserve for returns	1,144	577
Accrued liabilities	3,727	6,833
Accrued profit sharing	(1,467)	58
Income taxes payable	(15,855)	(10,878)
Other	132	494
Net cash flows (used for) from operating activities	(135,302)	3,811
Cash flows from investing activities:		
Cash paid for capital additions	(30,505)	(13,488)
Proceeds from sale of subsidiary	12,350	-
Net cash flows used for investing activities	(18,155)	(13,488)
Cash flows from financing activities:		
Proceeds from short-term debt	106,870	17,369
Purchases of treasury stock	(37,750)	(18,907)
Net cash flows from (used for) financing activities	69,120	(1,538)
Net decrease in cash and cash equivalents	(84,337)	(11,215)
Beginning cash and cash equivalents	92,827	17,176
Ending cash and cash equivalents	$ 8,490	$ 5,961
Supplemental cash flow disclosures:		
Interest paid	$ 1,087	$ 372
Income taxes paid	31,900	19,876

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

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

1. Interim financial statements

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. These consolidated financial statements are condensed and should be read in conjunction with the financial statements and the notes thereto included in the company's latest Annual Report on Form 10-K, which includes financial statements for the year ended

January 31, 1997.

2. Reclassification

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

Item 2. Management's Discussion and Analysis

Results of Operations

Three Months Ended October 31, 1997, compared with Three Months Ended November 1, 1996

The company's net sales in the third quarter of fiscal 1998 increased 10.9 percent to $318.6 million from $287.4 million in the same quarter last year. The increase in sales during the quarter just ended was mainly due to additional catalogs and pages mailed. Increased sales came mainly from specialty businesses and foreign-based operations, as well as from the core business, represented by the regular monthly and prospecting catalogs. During the quarter, pages mailed in the U.S. were higher than in the prior year, and productivity, or sales per page, in the core catalogs was down from the prior year. Net sales for last year's third quarter included $7.7 million from The Territory Ahead, in which the company had a majority interest at that time. Excluding this amount from the prior year's fiscal 1997 revenues, net sales for the third quarter of fiscal 1998 increased 13.9 percent. During the first five weeks of the fourth quarter of fiscal 1998, the year-over-year sales increase trend has been somewhat weaker than in the third quarter.

Gross profit in the quarter just ended was $146.7 million, or 46.1 percent of net sales, compared with $126.1 million, or 43.9 percent of net sales, in the similar quarter last year. The increase in gross profit margin was primarily due to higher initial markups and less steep markdowns on fewer sales of liquidated merchandise. Liquidations of excess inventory were about 10 percent of net sales in the quarter just ended, compared with about 13 percent in the similar period a year ago.

For the third quarter this year, selling, general and administrative expenses increased 12 percent to $129.8 million, compared with $115.8 million for last year's third quarter. As a percentage of net sales, SG&A was 40.7 percent, compared with 40.3 percent in the similar period last year. The increase in the SG&A ratio was primarily the result of lower productivity in the core catalogs, partially offset by favorable paper prices.

The company had about $118 million of short-term debt as of October 31, 1997, compared with $27 million at the end of last year's third quarter. Third quarter ending inventory was $321 million, compared with $207 million a year ago and $260 million two years ago. Last year many customers were disappointed when their orders could not be filled during the late fall and holiday seasons. This year the company has increased inventory in its efforts to provide an annualized first-time fulfillment rate of at least 90 percent for all items ordered by customers. Higher inventory levels may result in greater product liquidations at lower margins in future periods.

Net income for the quarter just ended was $8.2 million, up 32.6 percent from earnings of $6.2 million in the same quarter last year. Per share earnings for the quarter just ended were $0.26, compared with $0.19 in the prior year. Net income for the quarter just ended includes a foreign currency exchange after-tax loss of $1.2 million, recorded as other expense. Foreign currency exchange gains or losses will occur in response to currency market movements and the company's hedging strategy. Last year's third quarter includes an after-tax charge to earnings of $840,000, or a reduction of 3 cents per share, in connection with the prior sale of the company's then wholly owned subsidiary, MontBell America, Inc.

UPDATE ON THE EFFECT OF THE UPS STRIKE

The Lands' End normal service standard is to ship all in-stock items from its distribution center within one business day of receiving the customer's order. Nearly all packages are then delivered to customers in the United States via UPS within two business days after they leave the distribution center. During the 15-day UPS strike, all packages were shipped out of Dodgeville within one business day and were mailed to customers via Priority Mail through the United States Postal Service. From our tracking, we know that most customers received their shipments within 2 to 4 business days.

As soon as the strike began, directly after the close of the second quarter, there was a decline in the number of customer calls. As a result, the year-over-year trend in sales in the beginning of the third quarter was below that of the preceding quarter. Additional costs, included in SG&A, of about $1.3 million were incurred during the strike for shipping packages via Priority Mail and for advertising to encourage customers to call. Although it is difficult to estimate the amount of sales recovered after the strike ended, the company believes the total impact on earnings from the UPS strike for the third quarter was between $0.04 and $0.08 per share.

Nine Months Ended October 31, 1997, compared with
Nine Months Ended November 1, 1996

The company's net sales in the first nine months of fiscal 1998 increased 12.6 percent to $783.2 million from $695.4 million in the same period last year. The increase in net sales was due primarily to the same factors disclosed above for the three months ended October 31, 1997. Net sales from The Territory Ahead for the first nine months in fiscal 1998 and 1997 were $5.1 million and $19.3 million, respectively. Excluding these amounts, net sales for the first nine months of fiscal 1998 increased 15.1 percent.

Gross profit of $362.0 million for the first nine months of fiscal 1998 increased 16.7 percent from $310.3 million in the same nine-month period last year. As a percentage of net sales, gross profit increased from 44.6 percent in fiscal 1997 to 46.2 percent in fiscal 1998. The improvement in gross profit margin was the result of the same factors disclosed above for the three months ended October 31, 1997. Year-to-date liquidation sales were about nine percent, compared with ten percent during the same period last year.

Selling, general and administrative expenses increased 14.4 percent to $328.7 million in the first nine months of fiscal 1998 from $287.4 million in the same period last year. As a percentage of net sales, selling, general and administrative expenses increased to 42.0 percent in fiscal 1998 from 41.3 percent in fiscal 1997. The increase in the SG&A ratio was primarily the result of relatively higher order fulfillment and shipping expenses due to a higher level of backorders, especially in the first six months.

Net income for the first nine months of fiscal 1998 was $22.9 million, or $0.71 per share. This includes an after-tax gain of $4.7 million, or $0.15

per share, from the sale of the company's majority interest in The Territory Ahead. Excluding this non-recurring gain, net income in the first nine months of fiscal 1998 was $18.2 million, or $0.56 per share, compared with $13.5 million, or $0.41 per share, earned in the first nine months of the prior year. In addition, year-to-date net income includes a foreign currency exchange after-tax loss of $1.7 million, compared to an after-tax loss of $0.3 million in the prior year. These foreign currency exchange losses were recorded as other expense.

Year 2000

Like most companies, Lands' End is addressing the Year 2000 problem. We are continuing our comprehensive evaluation of all our computer systems and microprocessors and are in the process of replacing, modifying and/or converting those systems that are not Year 2000 compliant. The incremental expenses over the next two fiscal years associated with our efforts to become Year 2000 compliant are being determined as part of our continuing evaluation and are expected to be significant. The company anticipates that it will be able to provide additional information regarding the scope and anticipated costs associated with Year 2000 compliance in its upcoming Form 10-K filing.

Seasonality of business

The company's business is highly seasonal. Historically, a disproportionate amount of the company's net sales and a majority of its profits have been realized during the fourth quarter. If the company's sales were materially different from seasonal norms during the fourth quarter, the company's annual operating results could be materially affected. In addition, as the company continues to refine its marketing efforts by experimenting with the timing of its catalog mailings, quarter results may fluctuate. Accordingly, results for the individual quarters are not necessarily indicative of the results to be expected for the entire year.

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 loans. 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 and make asset additions.

The company will continue to explore investment opportunities arising from the expansion of its international businesses and the development of new businesses. While this investment spending has had some negative short term impact on earnings, it is not expected to have a material effect on liquidity.

At October 31, 1997, the company had unsecured domestic credit facilities totaling $110 million, of which about $85 million had been used. The company also maintains foreign credit lines for use in foreign operations totaling the equivalent of approximately $52 million as of October 31, 1997, of which $33 million was used. The company has a separate $20 million bank facility, which runs through May 31, 1998, available to fund treasury stock purchases and capital expenditures, all of which was unused.

Since fiscal 1990, the company's board of directors has authorized the company from time to time to purchase a total of 10.7 million shares of treasury stock. As of December 12, 1997, 10.2 million shares have been purchased, and there is a balance of 0.5 million shares available to the company. The company had used short-term borrowings under its existing bank facilities to fund a portion of the $38 million of treasury stock purchased through October 31, 1997.

Capital expenditures for fiscal 1998 are currently planned to be about $50 million, of which about $31 million had been expended through October 31,

1997. Major projects to date as of October 31, 1997, included expansion of distribution and office facilities in Dodgeville, WI, and in Oakham in the United Kingdom, new computer hardware and software and replacement of a corporate aircraft. The company believes that its cash flow from operations and borrowings under its current credit facilities will provide adequate resources to meet its capital requirements, treasury stock purchases 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 31, 1997.

Item 5. Other Information

In October 1997, the company's board of directors elected Daniel Okrent as a director of the company. Okrent has been editor of new media for Time, Inc., New York, since December 1996, after serving four years as managing editor of Life. Prior to 1991, he was editor at Alfred A. Knopf, Inc. and Viking Press, and editor-in-chief at Harcourt Brace Jovanovich, Inc. Okrent, 49, was founding editor of New England Monthly, president of Texas Monthly Press and also appeared as a featured commentator on Ken Burns' PBS series, Baseball. Okrent has published four books, and his articles have appeared in Esquire, Sports Illustrated, Travel & Leisure, and many other magazines. He was co-creative director of Our Times, an illustrated encyclopedia of the twentieth century, published in 1995.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

The following exhibit is filed as part of this report:

Table Number	Description	Exhibit Number
(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 31, 1997.

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, 1997

By /s/ BRADLEY K. JOHNSON
Bradley K. Johnson
Senior Vice President,
Chief Administrative Officer
and Chief Financial Officer

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 10/31/97	Three months ended 11/01/96	Nine Months Ended 10/31/97	Nine Months Ended 11/01/96
Net income............................	$ 8,162	$ 6,157	$ 22,896	$ 13,516
Average shares of common stock outstanding during the period..........	31,767	32,895	32,123	33,255
Incremental shares from assumed exercise of stock options (primary)....	344	193	346	130
	32,111	33,088	32,469	33,385
Primary earnings per share............	$ 0.25	$ 0.19	$ 0.71	$ 0.40
Average shares of common stock outstanding during the period..........	31,767	32,895	32,123	33,255
Incremental shares from assumed exercise				
of stock options (fully diluted).......	432	208	432	208
	32,199	33,103	32,555	33,463
Fully diluted earnings per share.......	$ 0.25	$ 0.19	$ 0.70	$ 0.40
Average shares of common stock outstanding during the period..........	31,767	32,895	32,123	33,255

Basic earnings per share..............	$ 0.26	$ 0.19	$ 0.71	$ 0.41

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THIS SCHEDULE CONTAINS FINANCIAL INFORMATION EXTRACTED FROM
CONSOLIDATED BALANCE SHEETS, CONSOLIDATED STATEMENTS OF OPERATIONS,
AND COMPUTATION OF EARNINGS PER SHARE AND ITS QUALIFIED IN ITS ENTIRETY
BY REFERENCE TO SUCH FINANCIAL STATEMENTS AND EXHIBIT.
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