## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00

ATLANTA, Sept. 10, 2013 /PRNewswire/ -- Oxford Industries, Inc. (NYSE: OXM ) today announced financial results for its fiscal 2013 second quarter, which ended August 3, 2013
. For the quarter, consolidated net sales increased $14 \%$ to
$\$ 235.0$ million
compared to
$\$ 206.9$ million
in the second quarter of fiscal 2012, which ended
July 28, 2012

# Oxford Industries Reports Second Quarter Results 

Written by Australian Business
Tuesday, 10 September 2013 20:00
. On an adjusted basis, earnings per share rose $55 \%$ to
\$1.01
compared to
\$0.65
in the second quarter of fiscal 2012.

On a GAAP basis, earnings per share were $\$ 0.96$ in the second quarter of fiscal 2013 compared to
$\$ 0.30$ in the same period of the prior year. Adjusted earnings per share for the second quarter of fiscal 2012 exclude $\$ 9.1$ million
of charges related to the redemption of the Company's senior notes. Adjusted earnings per share for the second quarter of fiscal 2013 exclude
$\$ 0.6$ million
of charges resulting from the acquisition of the
Tommy Bahama
licensed business in
Canada
. Adjusted earnings per share for both periods exclude charges related to a change in the fair value of contingent consideration and the impact of LIFO accounting. For reference, tables reconciling GAAP to adjusted measures are included at the end of this release.

Thomas C. Chubb III, CEO and President, commented, "We are quite pleased with our first half performance, which included strong top and bottom line growth at both
and
Lilly Pulitzer
. We were particularly pleased with how our direct to consumer channels performed with comparable store sales increases of $13 \%$ at
Tommy Bahama
and $19 \%$ at
Lilly Pulitzer
in the second quarter. Our results demonstrate the strength of these brands and the power of our direct to consumer strategy. We believe there are many more opportunities ahead for us to drive sustained, profitable growth in these businesses."

Mr. Chubb concluded, "Following a strong first half, we believe we have an excellent game plan for the all-important holiday and resort selling seasons and are expecting a good second half as well. Our direct to consumer business continues to perform well, but we have seen some erosion in our wholesale business. Our second half order books came in slightly below our expectation and we've seen some choppiness in our in-season re-order business. We have
factored this into our forecast for the balance of the year and have made a modest downward revision to our guidance. Even with this revision, we believe fiscal 2013 will deliver strong top and bottom line results for our shareholders."

## Operating Results

Tommy Bahama Tommy Bahama's results for the second quarter continued to demonstrate the strength of the brand. Net sales increased 20\% to \$153.2 million the second quarter of fiscal 2013.
Tommy Bahama
delivered a comparable store sales increase of 13\%, driven by particularly strong e-commerce sales. In addition to opening two new stores in
the United States
and a store in
Sydney, Australia
Tommy Bahama
acquired its previously licensed Canadian business, which included nine retail stores. At the end of the second quarter of fiscal 2013,

## Tommy Bahama

operated 133 stores compared to 121 stores at the end of the first quarter of fiscal 2013 and 105 stores on
July 28
, 2012.

Tommy Bahama's adjusted operating income for the second quarter of fiscal 2013 rose $47 \%$ to $\$ 24.5$ million compared to $\$ 16.6$ million
in the second quarter of fiscal 2012. The increase in operating income was primarily due to higher sales and gross margin, partially offset by higher SG\&A as
Tommy Bahama
continued to invest in growth initiatives for the brand. On a GAAP basis, Tommy Bahama's
operating income for the second quarter of fiscal 2013 was
$\$ 23.8$ million
compared to
\$16.6 million
in the second quarter of fiscal 2012.

Lilly Pulitzer Lilly Pulitzer's net sales increased by $24 \%$ to $\$ 38.2$ million for the second quarter of fiscal 2013 with increased sales in all channels of distribution.
Lilly Pulitzer
delivered a comparable store sales increase of $19 \%$, driven by particularly strong full-price e-commerce sales. With a new store in the Raleigh-Durham area,
Lilly Pulitzer
now operates 22 stores compared to 21 stores at the end of the first quarter of fiscal 2013 and 17 stores at July 28
, 2012. As a result of the strong sales increase,
Lilly Pulitzer
reported a $20 \%$ increase in adjusted operating income to
$\$ 9.6$ million
for the second quarter of fiscal 2013. On a GAAP basis, operating income for the second quarter of fiscal 2013 was
$\$ 9.6$ million
compared to
$\$ 7.4$ million
in the second quarter of fiscal 2012.

Lanier Clothes Net sales for Lanier Clothes were $\$ 22.3$ million in the second quarter of fiscal 2013 compared to
$\$ 24.8$ million
in the second quarter of fiscal 2012. The decrease in sales was primarily due to certain wholesale sales shifting from the second quarter to the third quarter of fiscal 2013. Operating income in the second quarter of fiscal 2013 was
$\$ 2.0$ million compared to $\$ 2.4$ million in the second quarter of fiscal 2012, affected by the lower sales.

Ben Sherman Ben Sherman reported net sales of $\$ 16.3$ million for the second quarter of fiscal 2013 compared to
$\$ 20.1$ million
in the second quarter of fiscal 2012. Wholesale sales decreased
$\$ 3.9$ million
primarily due to the exit from certain accounts in the UK and US, as well as certain wholesale sales shifting from the second quarter to the third quarter of fiscal 2013.
Ben Sherman's
operating loss was
$\$ 3.8$ million
in the second quarter of fiscal 2013 compared to an operating loss of
$\$ 1.5$ million
in the same period last year. The decline in operating results was primarily due to the decrease in sales, lower gross margin and lower royalty income, partially offset by reductions in SG\&A.

Corporate and Other Corporate and Other reported an adjusted operating loss of $\$ 3.5$ million for the second quarter of fiscal 2013 compared to an adjusted operating loss of $\$ 4.9$ million
in the second quarter of fiscal 2012. The improved results reflect the favorable impact of higher sales at
Oxford Golf
and decreased corporate SG\&A. On a GAAP basis, Corporate and Other
reported an operating loss of
$\$ 3.9$ million
in the second quarter of fiscal 2013 compared to a loss of $\$ 4.6$ million in the second quarter of fiscal 2012.

## Consolidated Operating Results

Net Sales For the second quarter of fiscal 2013, consolidated net sales were $\$ 235.0$ million compared to
$\$ 206.9$ million
in the second quarter of fiscal 2012. Sales increases at
Tommy Bahama
and
Lilly Pulitzer
were partially offset by sales decreases at
Lanier Clothes
and
Ben Sherman

Gross Profit and Gross Margin For the second quarter of fiscal 2013, consolidated gross margin increased 100 basis points to $58.2 \%$, primarily due to the increased proportion of the higher gross margin Tommy Bahama and Lilly Pulitzer businesses and the continued shift in sales mix towards direct to consumer sales. Gross profit for the second quarter of fiscal 2013 increased to
$\$ 136.8$ million
from
$\$ 118.3$ million
in the second quarter of fiscal 2012.

SG\&A The Company achieved a modest leveraging of SG\&A in the second quarter of fiscal 2013. SG\&A was $\$ 112.4$ million, or $47.8 \%$ of net sales, compared to $\$ 100.7$ million, or $48.7 \%$ of net sales, in the second quarter of fiscal 2012. The increase in SG\&A was primarily due to
$\$ 9.1$ million
of incremental costs associated with operating additional retail stores and restaurants, as well as incremental expenses to support the growing
Tommy Bahama
and
Lilly Pulitzer
businesses, partially offset by SG\&A reductions at
Ben Sherman
, Lanier Clothes
and
Corporate and Other

Change in Fair Value of Contingent Consideration The second quarter of fiscal 2013 included \$ 0.1 million of change in fair value of contingent consideration compared to $\$ 0.6$ million in the second quarter of fiscal 2012.

Royalties and Other Income Royalties and other income were $\$ 3.4$ million in the second quarter of fiscal 2013, comparable to the second quarter of fiscal 2012.

Operating Income For the second quarter of fiscal 2013, consolidated operating income was $\$$ 27.7 million compared to $\$ 20.3$ million in the second quarter of fiscal 2012.

Interest Expense For the second quarter of fiscal 2013, interest expense declined 69\% to $\$ 1.0$ million
from
$\$ 3.3$ million
in the second quarter of fiscal 2012. The decrease was primarily due to the Company's utilization of its U.S. Revolving Credit Agreement, which bears substantially lower interest rates than its previously outstanding senior notes which were fully redeemed in July 2012

Income Taxes The effective tax rate for the second quarter of fiscal 2013 was $40.7 \%$ compared to $36.0 \%$ in the second quarter of fiscal 2012. The rate in the second quarter of fiscal 2013 was unfavorably impacted by the Company's inability to recognize a tax benefit for losses in certain foreign jurisdictions.

## Balance Sheet and Liquidity

Total inventories at the close of the second quarter of fiscal 2013 were $\$ 101.9$ million, compared to $\$ 88.4$ million at the close of the second quarter of fiscal 2012. The increase was primarily due to anticipated sales growth and the operation of additional retail stores by Tommy Bahama
and
Lilly Pulitzer

As of August 3, 2013, the Company had $\$ 125.4$ million of aggregate borrowings outstanding and $\$ 86.4$ million of aggregate unused availability under its US and UK revolving credit agreements.

The Company's capital expenditures for fiscal 2013, including $\$ 26.0$ million incurred during the first half of fiscal 2013, are expected to be approximately $\$ 45$ million
. These expenditures consist primarily of costs associated with opening new retail stores, retail store and restaurant remodeling and information technology initiatives including e-commerce
enhancements.

## Fiscal 2013 Outlook

For fiscal 2013, the Company has lowered its full year guidance and now expects adjusted earnings per share in a range of $\$ 2.90$ to $\$ 3.05$ and net sales in a range of $\$ 920$ to $\$ 930$ million . On a GAAP basis, the Company expects earnings per share in a range of $\$ 2.80$ to $\$ 2.95$
for the year. This compares with fiscal 2012 earnings per share of \$2.61
on an adjusted basis and
\$1.89
on a GAAP basis.

For the third quarter, ending on November 2, 2013, the Company anticipates net sales in a range of $\$ 195$ to $\$ 205$ million and adjusted earnings per share of
\$0.08
to
\$0.13
. On a GAAP basis, earnings per share are expected to be between \$0.04 and \$0.09
. This compares with earnings per share of
\$0.19
on an adjusted basis and
\$0.18
on a GAAP basis in the third quarter of fiscal 2012 on sales of $\$ 181.4$ million
. Because of the impact of seasonality on the Company's business, sales and earnings in the third quarter are typically significantly lower than other quarters.

For the fourth quarter, ending on February 1, 2014, the Company expects net sales in a range of $\$ 250$ to $\$ 260$ million and earnings per
share in a range of
on an adjusted basis and
\$0.98 to \$1.08
on a GAAP basis. In the fourth quarter of fiscal 2012, which included 14 weeks, earnings were
\$0.65
on an adjusted basis and
$\$ 0.32$
on a GAAP basis on sales of
\$236 million

The effective tax rate is expected to be approximately $42 \%$ for the fiscal year, with the rate in the third quarter expected to be higher than the fourth quarter.

## Dividend

The Company also announced that its Board of Directors has approved a cash dividend of $\$ 0.1$ 8
per share payable on
November 1, 2013
to shareholders of record as of the close of business on
October 18, 2013
The Company has paid dividends every quarter since it became publicly owned in 1960.

## Conference Call

The Company will hold a conference call with senior management to discuss its financial results at $4: 30 \mathrm{p} . \mathrm{m}$. ET today. A live web cast of the conference call will be available on the Company's website at www.oxfordinc.com. Please visit the website at least 15 minutes before the call to register for the teleconference web cast and download any necessary software. A replay of the call will be available through September 24
, 2013. To access the telephone replay, participants should dial (858) 384-5517. The access code for the replay is 7892320. A replay of the web cast will also be available following the teleconference on the Company's website at www.oxfordinc.com

## About Oxford

Oxford Industries, Inc. is a global apparel company which designs, sources, markets and distributes products bearing the trademarks of its owned and licensed brands through direct to consumer and wholesale channels of distribution. Oxford's brands include Tommy Bahama ${ }^{\circledR}$, Lilly Pulitzer (®)
, Ben
Sherman
${ }^{(8)}$
, Oxford Golf
©

Arnold Brant
${ }^{(8)}$
and
Billy London
${ }^{(8)}$

The Company operates retail stores, internet websites and restaurants. The Company also has license arrangements with select third parties to produce and sell certain product categories under its
Tommy Bahama, Lilly Pulitzer
and
Ben Sherman
brands. The Company holds exclusive licenses to produce and sell certain product categories under the
Kenneth Cole
${ }^{(8)}$

Geoffrey Beene
©
, Dockers
©
and
Ike Behar
${ }^{(8)}$
labels. Oxford's wholesale customers include department stores, specialty stores, national chains, specialty catalogs and Internet retailers. Oxford's stock has traded on the New York Stock Exchange since 1964 under the symbol OXM. For more information, please visit Oxford's website at www.oxfordinc.com

## Comparable Store Sales

The Company's disclosures about comparable store sales include sales from its full-price stores and e-commerce sites, excluding sales associated with e-commerce flash clearance sales. Definitions and calculations of comparable store sales differ among companies in the retail industry, and therefore comparable store metrics disclosed by the Company may not be comparable to the metrics disclosed by other companies.

## CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This press release may include statements that are forward-looking statements within the meaning of the federal securities laws. Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "will" and similar expressions identify forward-looking statements, which generally are not historical in nature. We intend for all forward-looking statements contained herein or on our website, and all subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf, to be covered by the safe harbor provisions for forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and the provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (which Sections were adopted as part of the Private Securities Litigation Reform Act of 1995). Important assumptions relating to these forward looking statements include, among others, assumptions regarding the impact of economic conditions on consumer demand and spending, particularly in light of general economic uncertainty that continues to prevail, demand for our products, timing of shipments requested by our wholesale customers, expected pricing levels, competitive conditions, retention of and disciplined execution by key management, the timing and cost of store openings and of planned capital expenditures, costs of products as well as the raw materials used in those products, costs of labor, acquisition and disposition activities, expected outcomes of pending or potential litigation and regulatory actions, access to capital and/or credit markets and the impact of foreign losses on our effective tax rate. Forward-looking statements reflect our current expectations, based on currently available information, and are not guarantees of performance. Although we believe that the expectations reflected in such forward-looking statements are reasonable, these expectations could prove inaccurate as such statements involve risks and uncertainties, many of which are beyond our ability to control or predict. Should one or more of these risks or uncertainties, or other risks or uncertainties not currently known to us or that we currently deem to be immaterial, materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. Important factors relating to these risks and uncertainties include, but are not limited to, those described in Part I, Item 1A. contained in our Annual Report on Form

10-K for the period ended February 2, 2013 under the heading "Risk Factors" and those described from time to time in our future reports filed with the SEC.


## August 3,

2013

July 28, 2012

## ASSETS

## Current Assets:

Cash and cash equivalents
\$ 9,705
\$ 4,561

## Oxford Industries Reports Second Quarter Results

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Tuesday, 10 September 2013 20:00
Receivables, net

62,082

61,833

Inventories, net

101,920

88,382

Prepaid expenses, net

21,853

18,907

Deferred tax assets

20,803

## Oxford Industries Reports Second Quarter Results

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19,703

## Total current assets

216,363

193,386

Property and equipment, net

140,885

109,500

Intangible assets, net

170,250

164,682

Goodwill

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Tuesday, 10 September 2013 20:00
20,919

17,277

Other non-current assets, net

22,892

22,252

Total Assets
\$ 571,309
\$ 507,097

## LIABILITIES AND SHAREHOLDERS' EQUITY

## Current Liabilities:

Accounts payable and other accrued expenses

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Tuesday, 10 September 2013 20:00
$\$ \quad 82,641$
\$ 76,186

Accrued compensation

18,133

19,612

Contingent consideration current liability

2,500

Short-term debt

5,885

5,768

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## Total current liabilities

109,159

101,566

Long-term debt

119,527

95,249

Non-current contingent consideration

12,088

11,845

Other non-current liabilities

48,607

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Tuesday, 10 September 2013 20:00
41,574

Non-current deferred income taxes

34,674

31,281

Commitments and contingencies

## Shareholders' Equity:

Common stock, $\$ 1.00$ par value per share

16,405

16,578

Additional paid-in capital

113,040

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Tuesday, 10 September 2013 20:00
102,841

Retained earnings

143,407

129,628

Accumulated other comprehensive loss
$(25,598)$
$(23,465)$

## Total shareholders' equity

247,254

225,582

Total Liabilities and Shareholders' Equity

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\$ 571,309
\$ 507,097


Second
$\square$ Quarter

Fiscal
$\square 2013$

Second Quarter

Fiscal

2012

## Oxford Industries Reports Second Quarter Results

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First

Half

Fiscal
$\square 2013$
$\square$ First

## Half

## Fiscal

$\square 2012$

Net sales
\$ 235,024
\$ 206,929
\$ 469,227

## \$ 437,882

Cost of goods sold

98,175

88,649

198,303

190,388

Gross profit

136,849

118,280

270,924

247,494

## Oxford Industries Reports Second Quarter Results

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Tuesday, 10 September 2013 20:00
SG\&A

112,424

100,702

225,449

201,510

Change in fair value of contingent consideration

69

600

138

1,200

Royalties and other operating income

Written by Australian Business
Tuesday, 10 September 2013 20:00
3,356

3,340

8,436

8,322

Operating income

27,712

20,318

53,773

53,106

Interest expense, net

1,042

## Oxford Industries Reports Second Quarter Results

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Tuesday, 10 September 2013 20:00
3,314

1,978

6,917

Loss on repurchase of senior notes

9,143

9,143

Net earnings before income taxes

26,670

7,861

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Tuesday, 10 September 2013 20:00
51,795

37,046

Income taxes

10,864

2,833

22,366

14,016

Net earnings
\$ 15,806
\$ 5,028
\$ 29,429

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\$ 23,030

Net earnings per share:

Basic
\$ 0.96
\$ 0.30
\$ 1.78
\$ 1.39

Diluted
\$ 0.96
\$ 0.30
\$ 1.78

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\$ 1.39

Weighted average common shares outstanding:

Basic

16,394

16,554

16,491

16,543

Diluted

16,423

16,570

16,520

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16,561

Dividends declared per common share
\$ 0.18
\$ 0.15
\$ 0.36
\$ 0.30


## First Halfol Fiscal 2013

First Half Fiscal 2012

Cash Flows From Operating Activities:

Net earnings
\$ 29,429
\$ 23,030

Adjustments to reconcile net earnings to net cash provided by operating activities:

Depreciation

15,004

11,210

Amortization of intangible assets

## Oxford Industries Reports Second Quarter Results

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Tuesday, 10 September 2013 20:00
Change in fair value of contingent consideration

138

1,200

Amortization of deferred financing costs and bond discount

215

755

Loss on repurchase of senior notes

9,143

Stock compensation expense

1,239

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Tuesday, 10 September 2013 20:00
1,664

Deferred income taxes

2,634
$(3,575)$

Changes in working capital, net of acquisitions and dispositions:

Receivables

88
$(2,139)$

Inventories

11,095

15,691

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Prepaid expenses
$(2,199)$
(844)

Current liabilities
$(7,540)$
$(16,761)$

Other non-current assets

376
$(2,815)$

Other non-current liabilities

4,051

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2,920

Excess tax benefits related to stock-based compensation
$(6,100)$

Net cash provided by operating activities

49,184

39,991

## Cash Flows From Investing Activities:

Acquisitions, net of cash acquired
$(17,888)$
$(1,683)$

## Oxford Industries Reports Second Quarter Results

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Tuesday, 10 September 2013 20:00
Purchases of property and equipment
$(26,020)$
$(27,264)$

## Net cash used in investing activities

$(43,908)$
$(28,947)$

## Cash Flows From Financing Activities:

Repayment of revolving credit arrangements
$(154,216)$
$(97,121)$

Proceeds from revolving credit arrangements

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163,428

195,590

Repurchase of senior notes
$(111,000)$

Deferred financing costs paid
$(1,524)$

Payment of contingent consideration amounts earned
-
$(2,500)$

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Proceeds from issuance of common stock, including excess tax benefits

6,943

1,565

Repurchase of common stock for employee tax withholding liabilities
$(13,200)$

Dividends on common stock
$(5,988)$
$(4,956)$

Net cash used in financing activities
$(3,033)$

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$(19,946)$

Net change in cash and cash equivalents

2,243
$(8,902)$

Effect of foreign currency translation on cash and cash equivalents

90

Cash and cash equivalents at the beginning of year

7,517

13,373

Cash and cash equivalents at the end of the period

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\$ 9,705
\$ 4,561

Supplemental disclosure of cash flow information:

Cash paid for interest, net
\$ 1,846
\$ 6,508

Cash paid for income taxes
\$ 6,186
\$ 15,704

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## Second Quarter

Fiscal 2013

Second Quarter

Fiscal 2012

## First Half

Fiscal 2013

## First Half

Fiscal 2012

## Net Sales

Tommy Bahama
\$153,220

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\$127,463
\$303,646
\$268,597

Lilly Pulitzer

38,164

30,903

77,613

66,536

Lanier Clothes

22,315

24,808

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49,575

57,815

Ben Sherman

16,275

20,101

28,511

37,453

Corporate and Other

5,050

3,654

9,882

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7,481

## Total

\$235,024
\$206,929
\$469,227
\$437,882

## Operating Income (Loss)

Tommy Bahama
\$23,838
\$16,581
\$45,219

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\$42,145

Lilly Pulitzer

9,555

7,409

20,588

18,421

Lanier Clothes

2,026

2,397

4,487

6,443

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Ben Sherman
$(3,841)$
$(1,463)$
$(8,665)$
$(4,203)$

Corporate and Other
$(3,866)$
$(4,606)$
$(7,856)$
$(9,700)$

## Total Operating Income

## Oxford Industries Reports Second Quarter Results

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\$27,712
\$20,318
\$53,773
$\$ 53,106$

## RECONCILIATION OF CERTAIN OPERATING RESULTS INFORMATION PRESENTED IN ACCORD

Set forth below is the reconciliation, in thousands except per share amounts, of certain operating results

Fiscal 2013

SecondQuarter Fiscal2012

First Half
Fiscal 2013

First Half
Fiscal2012

## Oxford Industries Reports Second Quarter Results

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## As reported

Net sales
\$ 235,024
\$ 206,929
\$ 469,227
\$ 437,882

Gross profit
\$ 136,849
\$ 118,280
\$ 270,924
\$ 247,494

## Oxford Industries Reports Second Quarter Results

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Gross margin (1)
58.2\%
57.2\%
57.7\%
56.5\%

SG\&A
\$ 112,424
\$ 100,702
\$ 225,449
\$ 201,510

SG\&A as percentage of net sales

## Oxford Industries Reports Second Quarter Results

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47.8\%
48.7\%
48.0\%
46.0\%

Operating income
\$ 27,712
\$ 20,318
\$ 53,773
\$ 53,106

Operating margin (2)
11.8\%

## Oxford Industries Reports Second Quarter Results

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9.8\%
11.5\%
12.1\%

Net earnings before income taxes
\$ 26,670
\$ 7,861
\$ 51,795
\$ 37,046

Net earnings
\$ 15,806
\$ 5,028

## Oxford Industries Reports Second Quarter Results

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\$ 29,429
\$ 23,030

Diluted net earnings per share
\$ 0.96
\$ 0.30
\$ 1.78
\$ 1.39

Weighted average shares outstanding - diluted

16,423

16,570

16,520

## Oxford Industries Reports Second Quarter Results

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16,561

## Increase (decrease) in net earnings

LIFO accounting adjustment (3)
\$ 317
\$ (258)
\$ 345
\$ (35)

Inventory step-up (4)
\$ 283
\$
\$ 283

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\$

Amortization of Canadian intangible assets (5)
\$ 333
\$
\$ 333
\$

Change in fair value of contingent consideration (6)
\$ 69
\$ 600
\$ 138
\$ 1,200

## Oxford Industries Reports Second Quarter Results

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Loss on repurchase of senior secured notes (7)
\$
\$ 9,143
\$
\$ 9,143

Impact of income taxes on adjustments above (8)
\$ (301)
$\$(3,699)$
\$ (346)
\$ $(4,012)$

Adjustment to net earnings

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Written by Australian Business
Tuesday, 10 September 2013 20:00
\$ 701
\$ 5,786
\$ 753
\$ 6,296

## As adjusted

Gross profit
\$ 137,449
\$ 118,022
\$ 271,552
\$ 247,459

Gross margin (1)

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58.5\%
57.0\%
57.9\%
56.5\%

SG\&A
\$ 112,091
\$ 100,702
\$ 225,116
\$ 201,510

SG\&A as percentage of net sales
47.7\%

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Tuesday, 10 September 2013 20:00
48.7\%
48.0\%
46.0\%

Operating income
\$ 28,714
\$ 20,660
\$ 54,872
\$ 54,271

Operating margin (2)
12.2\%
10.0\%

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11.7\%
12.4\%

Net earnings before income taxes
\$ 27,672
\$ 17,346
\$ 52,894
\$ 47,354

Net earnings
\$ 16,507
\$ 10,814
$\$ 30,182$

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
\$ 29,326

Net earnings per share
\$ 1.01
\$ 0.65
\$ 1.83
\$ 1.77
(1)

Gross margin reflects gross profit divided by net sales.
(2)

Operating margin reflects operating income divided by net sales.

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
(3)

LIFO accounting adjustment reflects the impact on cost of goods sold in our consolidated statements of
(4)

Inventory step-up reflects the charge recognized in cost of goods sold in our consolidated statements of
(5)

Amortization of Canadian intangible assets reflects the amortization included in SG\&A in our consolidate
(6)

Change in fair value of contingent consideration reflects the statement of earnings impact resulting from
(7)

Loss on repurchase of senior secured notes reflects the impact on net earnings resulting from the loss a
(8)

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
Impact of income taxes reflects the estimated net earnings tax impact of the above adjustments based

RECONCILIATION OF OPERATING INCOME (LOSS) IN ACCORDANCE WITH GAAP TO OPERATII

Set forth below is the reconciliation, in thousands, of operating income (loss) for each operating group a

Second Quarter of Fiscal 2013

Operatingincome (loss), as reported

LIFO accounting adjustment

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00

## Amortizationof Canadianintangibleassets

## Change in fairvalue ofcontingentconsideration

Operating income (loss), as adjusted
(1)
(2)
(3)
(4)

Tommy Bahama
\$ 23,838
\$
\$ 283

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
\$ 333
\$
\$ 24,454

Lilly Pulitzer

9,555
-
$\qquad$

69

9,624

Lanier Clothes

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
2,026
-

2,026

Ben Sherman
$(3,841)$

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
$(3,841)$

Corporate and Other
$(3,866)$

317

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
\$ 283
\$ 333
\$ 69
$\$ 28,714$

## Second Quarter of Fiscal 2012

Operating income (loss), as reported

## LIFO

accountingadjustment

Change in fair value of contingent consideration

Operating income (loss), as adjusted
(1)

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
(4)

Tommy Bahama
\$ 16,581
\$
\$
\$ 16,581

Lilly Pulitzer

7,409

600

8,009

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
Lanier Clothes

2,397

2,397

Ben Sherman
$(1,463)$
$(1,463)$

Corporate and Other

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
$(4,606)$
(258)
$(4,864)$

Total
\$ 20,318
\$ (258)
\$ 600
\$ 20,660

First Half of Fiscal 2013

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
Operatingincome (loss), as reported

LIFO accounting adjustment

Inventory step-up

## Amortizationof Canadian intangible assets

## Change in fair value of contingent consideration

Operatingincome (loss), as adjusted
(1)
(2)
(3)
(4)

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
Tommy Bahama
\$ 45,219
\$
\$ 283
\$ 333
\$
\$ 45,835

Lilly Pulitzer

20,588

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
138

20,726

Lanier Clothes

4,487
$\qquad$
-

4,487

Ben Sherman
$(8,665)$

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
$(8,665)$

Corporate and Other
$(7,856)$

345
$(7,511)$

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
Total
\$ 53,773
\$ 345
\$ 283
\$ 333
\$ 138
\$ 54,872

First Half of Fiscal 2012

Operating income (loss), as reported

LIFO accounting adjustment

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00

## Change in fair value of contingent consideration

Operating income (loss), as adjusted
(1)
(4)

Tommy Bahama
\$ 42,145
\$
\$
\$ 42,145

Lilly Pulitzer

18,421

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00

1,200

19,621

Lanier Clothes

6,443
-

6,443

Ben Sherman
$(4,203)$

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
$(4,203)$

Corporate and Other
$(9,700)$
(35)
$(9,735)$

Total
\$ 53,106
\$
\$ 1,200

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
\$ 54,271
(1)

LIFO accounting adjustment reflects the impact on cost of goods sold in our consolidated statements of
(2)

Inventory step-up reflects the charge recognized in cost of goods sold in our consolidated statements of
(3)

Amortization of Canadian intangible assets reflects the amortization included in SG\&A in our consolidate
(4)

Change in fair value of contingent consideration reflects the statement of earnings impact resulting from

Set forth below is the reconciliation of reported or reportable net earnings per diluted share for certain hi

Second

Second
Quarter
Fiscal
$\square 2013$

Second

Quarter
Fiscal 2012

First
Half Fiscal 2013

First
Half Fiscal 2012

Actual

Guidance (1)

## Actual

## Actual

## Actual

## Net earnings per diluted share:

GAAP basis
$\$ 0.96$
\$0.92-\$1.02
$\$ 0.30$
$\$ 1.78$
$\$ 1.39$

LIFO accounting adjustment (2)

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
\$0.01
(\$0.01)
\$0.01

Inventory step-up (3)
\$0.01
$\$ 0.01$

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
Amortization of Canadian intangible assets (4)
$\$ 0.02$
$\$ 0.02$

Change in fair value of contingent consideration (5)
$\$ 0.00$
$\$ 0.00$
$\$ 0.02$
$\$ 0.00$
$\$ 0.04$

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
Loss on repurchase of senior secured notes (6)
$\$ 0.34$
$\$ 0.34$

As adjusted
$\$ 1.01$
\$0.92-\$1.02
$\$ 0.65$
$\$ 1.83$

| Fourth | Quarter | Fiscal | 2013 |
| :--- | :--- | :--- | :--- |
| FourthQuarter Fiscal 2012 |  |  |  |
| Full | Year | Fiscal | 2013 |
| Full | Year | Fiscal | 2012 |

## Guidance (7)

## Actual

Guidance (7)

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00

## Actual

## Guidance (7)

## Actual

Net earnings per diluted share:

GAAP basis
\$0.04-\$0.09
\$0.18
\$0.98-\$1.08
$\$ 0.32$
\$2.80-\$2.95
$\$ 1.89$

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
LIFO accounting adjustment (2)
(\$0.01)
\$0.17
$\$ 0.01$
$\$ 0.15$

Inventory step-up (3)
$\$ 0.02$

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
$\$ 0.03$

Amortization of Canadian intangible assets (4)
$\$ 0.02$
$\$ 0.02$
$\$ 0.05$

Change in fair value of contingent consideration (5)

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
$\$ 0.00$
$\$ 0.02$
$\$ 0.00$
\$0.17
$\$ 0.01$
$\$ 0.23$

Loss on repurchase of senior notes (6)

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
Guidance as issued on June 11, 2013.
(2)

LIFO accounting adjustment reflects the impact, net of income taxes, on net earnings per diluted share
(3)

Inventory step-up reflects the impact, net of income taxes, on net earnings per diluted share resulting fro
(4)

Amortization of Canadian intangible assets reflects the impact, net of income taxes, on net earnings per
(5)

Change in fair value of contingent consideration reflects the impact, net of income taxes, on net earning:
(6)

Loss on repurchase of senior notes reflects the impact, net of income taxes, on net earnings per diluted

## Oxford Industries Reports Second Quarter Results

Written by Australian Business
Tuesday, 10 September 2013 20:00
(7)

Guidance as issued on September 10, 2013.

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