

SECURITIES AND EXCHANGE COMMISSION  
 WASHINGTON, D.C. 20549  
 FORM 10-Q

Quarterly Report Pursuant To Section 13 or 15(d) of  
 The Securities Exchange Act of 1934

For the quarterly period ended December 2, 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 1-4365

OXFORD INDUSTRIES, INC.  
 (Exact name of registrant as specified in its charter)

Georgia 58-0831862

-----  
 (State or other jurisdiction of (I.R.S. Employer  
 incorporation or organization) Identification Number)

222 Piedmont Avenue, N.E., Atlanta, Georgia 30308

-----  
 (Address of principal executive offices)  
 (Zip Code)

(404) 659-2424

-----  
 (Registrant's telephone number, including area code)

Not Applicable

-----  
 (Former name, former address and former fiscal year, if changed since last  
 report.)

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  No

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 Indicate the number of shares outstanding of each of the issuer's classes of  
 common stock, as of the latest practicable date.

Title of each class	Number of shares outstanding as of January 6, 1995
Common Stock, \$1 par value	8,673,818

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

OXFORD INDUSTRIES, INC.  
 CONSOLIDATED STATEMENT OF EARNINGS  
 SIX MONTHS AND QUARTERS ENDED DECEMBER 2, 1994 AND NOVEMBER 26, 1993

\$ in thousands except per share amounts	Six Months Ended		Quarter Ended	
	December 2, 1994	November 26, 1993	December 2, 1994	November 26, 1993
Net Sales	\$357,471	\$327,448	\$192,167	\$178,737
Costs and Expenses:				
Cost of Goods Sold	288,490	263,045	155,058	143,671
Selling, General and Administrative	48,918	46,685	25,870	24,572
Interest	1,705	1,229	1,041	697
Total Costs and Expenses	339,113	310,959	181,969	168,940
Earnings Before				

Income Taxes	18,358	16,489	10,198	9,797
Income Taxes	7,435	6,678	4,131	3,968
	-----	-----	-----	-----
Net Earnings	\$10,923	\$9,811	\$6,067	\$5,829
	=====	=====	=====	=====
Net Earnings				
Per Common Share	\$1.26	\$1.14	\$0.70	\$0.68
	=====	=====	=====	=====
Average Number of Shares				
Outstanding	8,655,613	8,592,722	8,665,610	8,581,949
	=====	=====	=====	=====
Dividends Per Share	\$0.360	\$0.330	\$0.180	\$0.165
	=====	=====	=====	=====

See notes to consolidated financial statements.

OXFORD INDUSTRIES, INC.  
CONSOLIDATED BALANCE SHEETS  
DECEMBER 2, 1994, JUNE 3, 1994 AND NOVEMBER 26, 1993  
(UNAUDITED EXCEPT FOR JUNE 3, 1994)

\$ in thousands	December 2, 1994	June 3, 1994	November 26, 1993
-----			
Assets			
Current Assets:			
Cash	\$ 5,278	\$ 3,227	\$ 5,295
Receivables	107,226	75,165	91,724
Inventories:			
Finished Goods	57,308	59,783	51,399
Work in Process	28,003	22,549	19,783
Fabric, Trim & Supplies	31,405	32,133	24,494
	-----	-----	-----
Prepaid expenses	116,716	114,465	95,676
	10,627	12,402	11,871
	-----	-----	-----
Total Current Assets	239,847	205,259	204,566
Property, Plant & Equipment	33,212	33,217	31,618
Other Assets	1,375	1,471	1,614
	-----	-----	-----
	\$274,434	\$239,947	\$237,798
	=====	=====	=====
Liabilities and Stockholders' Equity			
-----			
Current Liabilities:			
Notes Payable	\$ 46,500	\$ 19,500	\$ 28,000
Trade Accounts Payable	44,586	45,023	31,781
Accrued Compensation	10,137	11,687	11,810
Other Accrued Expenses	14,796	12,977	15,811
Dividends Payable	1,561	1,555	1,417
Income Taxes	793	-	2,429
Current maturities of long-term debt	4,855	5,352	4,864
	-----	-----	-----
Total Current Liabilities	123,228	96,094	96,112
	=====	=====	=====
Long-Term Debt, less current maturities	11,185	12,388	17,341
Deferred Income Taxes	3,878	3,730	3,620
Stockholders' Equity:			
Common Stock	8,672	8,638	8,586
Additional paid-in capital	6,746	6,153	5,408
Retained Earnings	120,725	112,944	106,731
	-----	-----	-----
Total Stockholders' Equity	136,143	127,735	120,725
	-----	-----	-----
	\$274,434	\$239,947	\$237,798
	=====	=====	=====

See notes to consolidated financial statements.

OXFORD INDUSTRIES, INC.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
SIX MONTHS ENDED DECEMBER 2, 1994 AND NOVEMBER 26, 1993  
(UNAUDITED)

\$ in thousands	Six Months Ended	
	December 2, 1994	November 26, 1993
Cash Flows From Operating Activities		
Net earnings	\$ 10,923	\$ 9,811
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	3,683	3,309
Gain on sale of property, plant and equipment	(177)	(37)
Changes in working capital:		
Receivables	(32,061)	(23,631)
Inventories	(2,251)	6,917
Prepaid expenses	1,775	(173)
Trade accounts payable	(437)	(2,848)
Accrued expenses and other current liabilities	275	5,247
Income taxes payable	793	2,429
Deferred income taxes	148	316
Other noncurrent assets	96	(70)
Net cash flows provided by (used in) operating activities	(17,233)	1,270
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(4,161)	(3,931)
Proceeds from sale of property, plant and equipment	659	87
Net cash used in investing activities	(3,502)	(3,844)
Cash Flows From Financing Activities		
Short-term borrowings	27,000	9,500
Payments on long-term debt	(1,700)	(447)
Proceeds from exercise of stock options	598	298
Purchase and retirement of common stock	0	(1,886)
Dividends on common stock	(3,112)	(2,850)
Net cash provided by financing activities	22,786	4,615
Net change in Cash and Cash Equivalents	2,051	2,041
Cash and Cash equivalents at Beginning of Period	3,227	3,254
Cash and Cash Equivalents at End of Period	\$ 5,278	\$ 5,295
Supplemental Disclosure of Cash Flow Information		
Cash paid for:		
Interest	\$ 1,676	\$ 1,135
Income taxes	5,710	4,336

See notes to consolidated financial statements.

OXFORD INDUSTRIES, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
SIX MONTHS AND QUARTERS ENDED DECEMBER 2, 1994  
AND NOVEMBER 26, 1993  
(UNAUDITED)

1. The foregoing unaudited consolidated financial statements reflect all adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim periods. All such adjustments are of a normal recurring nature. The results for interim periods are not necessarily indicative of results to be expected for the year.
2. The financial information presented herein should be read in conjunction with the consolidated financial statements included in the Registrant's Annual Report on Form 10-K for the fiscal year ended June 3, 1994.
3. The Company is involved in certain legal matters primarily arising in the normal course of business. In the opinion of management, the Company's liability under any of these matters would not materially affect its financial condition or results of operations.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations

NET SALES

Net sales for the second quarter of the 1995 fiscal year, which ended December 2, 1994, increased by 7.5% from net sales for the second quarter of the previous year. Net sales for the first six months of the current year increased by 9.2% from net sales for the comparable period of the prior year. This increase resulted in record sales for both the second quarter and the first half. The Oxford Slacks division contributed with heavy shipments of its Everpress wrinkle-resistant 100% cotton slacks. The Lanier Clothes division also contributed significantly to the second quarter sales gain. Our women's sportswear group also experienced a strong percentage net sales increase from net sales for the comparable period of the prior year. The Oxford Shirting division contributed with continued shipments of its Tommy Hilfiger dress shirt line, Savane and other wrinkle-resistant shirt lines. Although the division had an increase in sales, sales could have been greater had the division been able to ship all of its orders. The Company expects these difficulties to continue into the third quarter. The division has experienced extremely rapid sales growth over the past few years. Along with the expanded production requirements, the division continued pursuing its goal of obtaining more cost effective sources of production. In addition, the division experienced increased costs and capacity requirements due to the introduction of the wrinkle-resistant product lines. During the past quarter several new foreign contractors were unable to deliver acceptable goods on time. The division is working to correct the sourcing difficulties. However, it will take time for the production problems to clear. The Tommy Hilfiger dress shirt line was not impacted by these problems.

COST OF GOODS SOLD

Cost of goods sold as a percentage of net sales was 80.7% for the second quarter of the current year and 80.4% for the second quarter of the previous year. For the first six months of the current year, cost of goods sold as a percentage of net sales was 80.7% compared to 80.3% for the same period in the previous year. The Company's cost of goods sold was negatively affected in each period of the current year by increased cost related to utilizing new manufacturing resources and the continuing costs of expanding capacity to meet the growing demands for wrinkle-resistant products.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses increased by 5.3% to \$25,870,000 in the second quarter of fiscal 1995 from \$24,572,000 in the same period of fiscal 1994. Selling, general and administrative expenses increased by 4.8% to \$48,918,000 in the first half of fiscal 1995 from \$46,685,000 in the same period of fiscal 1994. A very significant portion of the increase in these expenses are related to the start up of Savane wrinkle-resistant shirts and Tommy Hilfiger dress and golf shirts. As a percentage of net sales, selling, general and administrative expenses declined to 13.5% for the second quarter of fiscal 1995 from 13.7% for the second quarter of the prior year, and to 13.7% for the first six months of fiscal 1995 from 14.3% for the first six months of the previous year.

## INTEREST EXPENSE

Net interest expense as a percentage of net sales increased to 0.5% in each of the second quarter and the first half of fiscal 1995 from 0.4% for the second quarter and the first half of fiscal 1994. Average short-term borrowings and the weighted average interest rate increased over the prior year.

## INCOME TAXES

The Company's effective income tax rate was 40.5% in both fiscal 1995 and fiscal 1994 for both the second quarter and the first half.

## FUTURE OPERATING RESULTS

The Company expects the first half sales momentum to continue through the second half. Last year's second half earnings of \$1.09 per share included an earnings credit of \$.18 per share from LIFO inventory accounting which the Company does not expect to repeat this year. As a result, in spite of expected increases in sales, the Company expects second half earnings to be relatively flat when compared to last year's second half.

## Liquidity and Capital Resources

### OPERATING ACTIVITIES

Operating activities used \$17,233,000 during the first six months of the current year and provided \$1,270,000 in the first six months of the prior year. The primary factors contributing to this increased use of cash were increased receivables and increased inventory. The increased receivables represent increased sales in the last two months of the quarter. Inventory levels have increased to support anticipated sales.

### INVESTING ACTIVITIES

Investing activities used \$3,502,000 in the first six months of the current year and \$3,844,000 in the same period of the prior year. Purchases consisted primarily of modernizing machinery and equipment, and initial expenditures for renovating and expanding a distribution facility.

### FINANCING ACTIVITIES

Financing activities generated \$22,786,000 in the first six months of the current year and \$4,615,000 in the first six months of the prior year. The primary factors contributing to this increase were increased short-term borrowings in the current year to support the increased receivables and inventory.

The Company has not purchased any of its common stock in the first half of the current year, or in the period after the end of the first half of the current year. Due to the exercise of employee stock options, a net of 34,770 shares of the Company's common stock have been issued during the six months ended December 2, 1994, and 3,200 shares have been issued since December 2, 1994 through January 6, 1995.

On January 9, 1995, the Company's Board of Directors declared a cash dividend of \$.20 per share, payable March 4, 1995, to shareholders of record on February 15, 1995. This is an increase of \$.02 per share, or 11% per share from prior quarterly dividends.

#### WORKING CAPITAL

Working capital increased from \$108,454,000 at the end of the second quarter of the previous year to \$109,165,000 at the end of the 1994 fiscal year, and increased to \$116,619,000 at the end of the second quarter of the current year. The ratio of current assets to current liabilities was 2.1 at the end of the second quarter of the previous year, 2.1 at the end of the previous fiscal year and 1.9 at the end of the second quarter of the current year. The major differences related to changes in the receivables, inventories and short-term borrowings as discussed above.

#### FUTURE LIQUIDITY AND CAPITAL RESOURCES

The Company believes it has the ability to generate cash to meet its foreseeable needs. The sources of funds primarily include funds provided by operations and short-term borrowings. The uses of funds primarily include working capital requirements, capital expenditures, dividends and repayment of long-term debt. The Company regularly utilizes committed bank lines of credit and other uncommitted bank resources to meet working capital requirements. On December 2, 1994, the Company had available for its use lines of credit with several lenders aggregating \$20,000,000. The Company has agreed to pay commitment fees for these available lines of credit. At December 2, 1994, \$15,000,000 was in use under these lines. In addition, the Company has \$132,000,000 in uncommitted lines of credit, of which \$47,000,000 is reserved exclusively for letters of credit. The Company pays no commitment fees for these available lines of credit. At December 2, 1994, \$31,500,000 was in use under these lines of credit. Maximum short-term borrowings from all sources during the first six months of the current year were \$66,500,000. The Company anticipates continued use and availability of both committed and uncommitted short-term borrowing resources as working capital needs may require.

The Company considers possible acquisitions of apparel-related businesses that are compatible with its long-term strategies. There are no present plans to borrow additional long-term funds, sell securities, or enter into off-balance sheet financing arrangements.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits.

11 Statement re computation of per share earnings.

(b) Reports on Form 8-K.

The Registrant did not file any reports on Form 8-K during the quarter ended December 2, 1994.



SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

OXFORD INDUSTRIES, INC.  
(Registrant)

Date: January 17, 1995                   /s/R. William Lee, Jr.  
R. William Lee, Jr.  
Executive Vice President

Date: January 17, 1995                   /s/Debra A. Pauli  
Debra A. Pauli  
Controller  
(Chief Accounting Officer)



## EXHIBIT 11

OXFORD INDUSTRIES, INC.  
 COMPUTATION OF PER SHARE EARNINGS  
 SIX MONTHS AND QUARTERS ENDED DECEMBER 2, 1994  
 AND NOVEMBER 26, 1993  
 (UNAUDITED)

	Six Months Ended		Quarter Ended	
	December 2, 1994	November 26, 1993	December 2, 1994	November 26, 1993
Net Earnings	\$10,923,000	\$9,811,000	\$6,067,000	\$5,829,000
Average Number of Shares Outstanding:				
Primary	8,842,996	8,763,105	8,834,288	8,775,967
Fully diluted	8,847,507	8,784,420	8,842,878	8,783,006
As reported*	8,655,613	8,592,722	8,665,610	8,581,494
Net Earnings per Common Share:				
Primary	\$1.24	\$1.12	\$0.69	\$0.66
Fully diluted	\$1.23	\$1.12	\$0.69	\$0.66
As reported*	\$1.26	\$1.14	\$0.70	\$0.68

\* Common stock equivalents (which arise solely from outstanding stock options) are not materially dilutive and, accordingly, have not been considered in the computation of reported net earnings per common share.

This schedule contains summary financial information extracted from SEC Form 10-Q and is qualified in its entirety by reference to such financial statements.

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6-MOS	
JUN-02-1995	DEC-02-1994
	5,278
	0
109,843	
2,617	
116,716	
239,847	
	103,579
70,367	
274,434	
123,228	
	0
	8,672
0	
	0
	127,471
274,434	
	357,471
357,471	
	288,490
288,490	
48,918	
0	
1,075	
18,358	
	7,435
10,923	
	0
	0
	0
	10,923
	1.24
	1.23

EXHIBIT 99

INDEX OF EXHIBITS  
INCLUDED HERIN, FORM 10-Q  
DECEMBER 2, 1994

EXHIBIT NUMBER	DESCRIPTION	SEQUENTIAL PAGE NUMBER
11	Statement re computation of per share earnings	11
27	Financial Data Schedule	12