

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 November 29, 1996  
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OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
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Commission File Number 1-4365  
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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   
 -----

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, 1997
Common Stock, \$1 par value	8,727,561

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.  
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OXFORD INDUSTRIES, INC  
 CONSOLIDATED STATEMENT OF EARNINGS  
 SIX MONTHS AND QUARTERS ENDED NOVEMBER 29, 1996 AND DECEMBER 1, 1995  
 (UNAUDITED)

\$in thousands except per share amounts	Six months Ended		Quarter Ended	
	November 29, 1996	December 1, 1995	November 29, 1996	December 1, 1995
-----	-----	-----	-----	-----

Net Sales	\$375,751	\$376,320	\$203,234	\$187,066
Costs and Expenses:				
Cost of Goods Sold	307,218	312,353	166,275	155,222
Selling, general and administrative	49,576	50,914	24,890	25,596
Provision for environmental remediation	-	4,500	-	-
Interest	2,167	3,717	1,071	1,876
	-----	-----	-----	-----
Total Costs and Expenses	358,961	371,484	192,236	182,694
	-----	-----	-----	-----
Earnings Before Income Taxes	16,790	4,836	10,998	4,372
Income Taxes	6,716	1,935	4,399	1,749
	-----	-----	-----	-----
Net Earnings	\$ 10,074	\$ 2,901	\$ 6,599	\$ 2,623
	=====	=====	=====	=====
Net earnings Per Common share	\$1.15	\$0.33	\$0.75	\$0.30
	=====	=====	=====	=====
Average Number of Shares Outstanding	8,741,465	8,707,324	8,707,924	8,714,170
	=====	=====	=====	=====
Dividends Per Share	\$0.40	\$0.40	\$0.20	\$0.20
	=====	=====	=====	=====

See notes to consolidated financial statements.

OXFORD INDUSTRIES, INC.  
CONSOLIDATED BALANCE SHEETS  
NOVEMBER 29, 1996, MAY 31, 1996 AND DECEMBER 1, 1995  
(UNAUDITED EXCEPT FOR MAY 31, 1996)

\$ in thousands - - - - -	November 29, 1996 - - - - -	May 31, 1996 - - - - -	December 1, 1995 - - - - -
Assets			
-----			
Current Assets:			
Cash	\$ 3,710	\$ 1,015	\$ 4,254
Receivables	107,786	84,593	95,674
Inventories:			
Finished goods	66,956	75,787	81,981
Work in process	22,509	24,717	17,493
Fabric, trim & supplies	31,818	36,285	30,896
	-----	-----	-----
Prepaid expenses	121,283	136,789	130,370
	13,910	13,747	14,565
	-----	-----	-----
Total Current Assets	246,689	236,144	244,863
Property Plant and Equipment	34,299	36,659	38,961
Other Assets	5,941	6,300	7,600
	-----	-----	-----
Total Assets	\$286,929	\$279,103	\$291,424
	=====	=====	=====
Liabilities and Stockholders' Equity			
-----			
Current Liabilities			
Notes payable	\$28,000	\$25,500	\$38,000
Trade accounts payable	39,644	49,676	36,022
Accrued compensation	8,715	7,225	7,784
Other accrued expenses	19,327	13,014	13,580
Dividends payable	1,743	1,760	1,745
Income taxes	3,224	-	-
Current maturities of long-term debt	1,397	1,632	4,625
	-----	-----	-----
Total Current Liabilities	102,050	98,807	101,756
Long-Term Debt, less current maturities	44,284	45,051	48,953
Noncurrent Liabilities	4,500	4,500	4,500
Deferred Income Taxes	1,844	1,786	3,825
Stockholders' Equity:			
Common stock	8,716	8,803	8,730
Additional paid in capital	8,342	8,211	7,419
Retained earnings	117,193	111,945	116,241
	-----	-----	-----
Total Stockholders' Equity	134,251	128,959	132,390
	-----	-----	-----
Total Liabilities and Stockholders' Equity	\$286,929	\$279,103	\$291,424
	=====	=====	=====

See notes to consolidated financial statements.

OXFORD INDUSTRIES, INC.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
SIX MONTHS ENDED NOVEMBER 29, 1996 AND DECEMBER 1, 1995  
(UNAUDITED)

	November 29,	December 1,
1996		
1995		
Cash Flows From Operating Activities	-----	
-----		
Net earnings	\$ 10,074	\$ 2,901
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	4,130	3,972
Provision for environmental remediation	-	4,500
(Gain) on sale of property, plant and equipment	(380)	(47)
Changes in working capital:		
Receivables	(23,193)	(9,626)
Inventories	15,506	40,639
Prepaid expenses	(163)	(1,535)
Trade accounts payable	(10,032)	(19,135)
Accrued expenses and other current liabilities	7,803	90
Income taxes payable	3,224	-
Deferred income taxes	58	(37)
Other noncurrent assets	(49)	(1,193)
Net cash flows provided by operating activities	----- 6,978	----- 20,529
Cash Flows From Investing Activities	-----	
-----		
Acquisitions	-	(8,763)
Proceeds from sale of business	-	1,273
Purchase of property, plant and equipment	(2,764)	(4,760)
Proceeds from sale of property, plant and equipment	1,782	500
Net cash used in investing activities	----- (982)	----- (11,750)
Cash Flows From Financing Activities	-----	
-----		
Short-term borrowings	2,500	(5,500)
Payments on long-term debt	(1,002)	1,835
Proceeds from exercise of stock options	202	395
Purchase and retirement of common stock	(1,500)	-
Dividends on common stock	(3,501)	(3,480)
Net cash (used in) financing activities	----- (3,301)	----- (6,750)
Net change in Cash and Cash Equivalents	2,695	2,029
Cash and Cash equivalents at Beginning of Period	1,015	2,225
Cash and Cash Equivalents at End of Period	----- \$ 3,710 =====	----- \$ 4,254 =====
Supplemental Disclosure of Cash Flow Information	-----	
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Cash paid for:		
Interest	\$ 2,010	\$ 3,513
Income taxes	4,007	44

See notes to consolidated financial statements.

OXFORD INDUSTRIES, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
QUARTERS ENDED NOVEMBER 29, 1996 AND DECEMBER 1, 1995

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 May 31, 1996.
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

NET SALES

Net sales for the second quarter of the 1997 fiscal year, which ended November 29, 1996, increased 8.6% from net sales for the same period of the prior year. Net sales for the first six months of the current year decreased by 0.2% from net sales for the same period of the prior year.

Second quarter net sales increases in the Company's Men's Slacks Group, Tailored Clothing Group and Womenswear Group were slightly offset by decreases in the Men's Shirt Group and last year's divestiture (B.J. Designs) and closure (RENNY(r)). Within the Company's Men's Shirt Group, increased sales for Tommy Hilfiger(r) Golf, Tommy Hilfiger Dress shirts and Polo(r) for Boys were offset by declines in the private label lines while Ely & Walker net sales were flat with last year. The decline in the Men's Shirt Group private label net sales is attributable to the Company's exit from the wet process "wrinkle-free" product.

The Company experienced an overall net sales unit volume increase of 7.6% while experiencing an overall 1.0% increase in the averages sales price per unit during the second quarter of the current year. Second quarter net sales included greater increased sales in the Company's licensed designer divisions (with higher average sales per unit) than in the private label divisions. For the first six months of the current year the Company experienced a 5.6% decrease in overall net sales unit volume while managing a 5.7% increase in the average sales price per unit.

COST OF GOODS SOLD

Cost of goods sold as a percentage of net sales, was 81.8% in the second quarter of the current year as compared to 83.0% in the second quarter of the prior year. For the first half of the current fiscal year, cost of goods sold as a percentage of net sales was 81.8% and 83.0% for the first half of the prior fiscal year. The decrease in cost of goods sold as a percentage of net sales was due in part to the increased sales of higher margin lines. Another factor contributing to the decreased percentage was the continuation of the shift from domestic production to offshore production yielding relative decreased costs per unit.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses decreased by 2.8% to \$24,890,000 in the second quarter of fiscal 1997 from \$25,596,000 in the same period of fiscal 1996. Selling, general and administrative expenses decreased by 2.6% to \$49,576,000 for the first six months of the current year from \$50,914,000 for the first six months of the prior year. As a percentage of net sales, selling general and administrative expenses decreased to 12.2% for the second quarter of the current year from 13.7% for the second quarter of the prior year, and decreased to 13.2% for the first half of the current year from 13.5% for the first half of the prior year. The decrease in selling, general and administrative expenses are predominantly the result of last year's divisional divestiture (B.J. Designs) and closure (RENNY).

INTEREST EXPENSE

Net interest expense declined by \$805,000 to \$1,071,000 or 0.5% of net sales in the second quarter of the current year from \$1,876,000 or 1.0% of net sales in the second quarter of the prior year. Net interest expense declined by \$1,550,000 to \$2,167,000 or 0.6% of net sales in the first half of the current year from \$3,717,000 or 1.0% of net sales in the first half of the prior year. The reduction in interest expense was due primarily to the reduced inventory from the prior year.

#### INCOME TAXES

The Company's effective tax rate was 40.0% in the second quarter of both the current and previous year and for the first half of both the current and previous year and does not differ significantly from the Company's statutory rate.

#### FUTURE OPERATING RESULTS

At the current writing, the Christmas retail results appear to have been mixed with most retailers expecting only modest single-digit percentage sales gains. The Company expects the continuation of highly competitive market conditions at wholesale and at retail. The Company expects to produce a solid single-digit sales gain in the second half. If the Company's sales expectations are achieved, the Company expects a solidly profitable second half.

#### LIQUIDITY AND CAPITAL RESOURCES

##### OPERATING ACTIVITIES

Operating activities generated \$6,978,000 during the first six months of the current year and \$20,529,000 in the first six months of the prior year. The primary factors contributing to this reduced generation of funds was a smaller decrease in trade payables offset by increased receivables and a smaller decrease in inventory than from the prior year.

##### INVESTING ACTIVITIES

Investing activities used \$982,000 in the first half of the current year and \$11,750,000 in the first half of the prior year. The primary factor contributing to this change was the acquisition of Ely & Walker in the first quarter of the prior year.

##### FINANCING ACTIVITIES

Financing activities used \$3,301,000 in the first half of the current year and \$6,750,000 in the first half of the prior year. The primary factors contributing to this change were the change in short-term borrowings and long-term debt.

The Company purchased and retired 100,000 shares of its common stock during the six months ended November 29, 1996. During the period after the end of the second quarter through January 6, 1997, no shares have been purchased and retired. Due to the exercise of employee stock options a net of 12,240 shares of the Company's common stock were issued during the first six months and 15,000 shares were issued since November 29, 1996 through January 6, 1997.

On January 6, 1997, the Company's Board of Directors declared a cash dividend of \$.20 per share payable March 1, 1997 to shareholders of record on February 14, 1997.

##### WORKING CAPITAL

Working capital decreased from \$143,107,000 at the end of the second quarter of the prior year to \$137,337,000 at the end of the 1996 fiscal year and increased to \$144,639,000 at the end of the second quarter of the current fiscal year. The ratio of current assets to current liabilities was 2.4 at the end of the second quarter of the prior year, 2.4 at the end of the prior fiscal year, and 2.4 at the end of the second quarter of the current year.

## FUTURE LIQUIDITY AND CAPITAL RESOURCES

The Company believes it has the ability to generate cash and/or has available borrowing capacity to meet its foreseeable needs. The sources of funds primarily include funds provided by operations and both short and long-term borrowings. The uses of funds primarily include working capital requirements, capital expenditures, acquisitions, 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 November 29, 1996, the Company had available for its use lines of credit with several lenders aggregating \$52,000,000. The Company has agreed to pay commitment fees for these available lines of credit. At November 29, 1996, \$50,000,000 was in use under these lines. Of the \$50,000,000, \$40,000,000 is long-term. In addition, the Company has \$186,000,000 in uncommitted lines of credit, of which \$98,000,000 is reserved exclusively for letters of credit. The Company pays no commitment fees for these available lines of credit. At November 29, 1996, \$18,000,000 was in use under these lines of credit. Maximum borrowings from all these sources during the first six months of the current year were \$96,000,000 of which \$56,000,000 was short-term. The Company anticipates continued use and availability of both committed and uncommitted 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 sell securities or enter into off-balance sheet financing arrangements.

## ADDITIONAL INFORMATION

For additional information concerning the Company's operations, cash flows, liquidity and capital resources, this analysis should be read in conjunction with the Consolidated Financial Statements and the Notes to Consolidated Financial Statements contained in the Company's Annual Report for fiscal 1996.



PART II. OTHER INFORMATION

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

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(a) Exhibits.

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11 Statement re computation of per share earnings.

27 Financial Data Schedule.

(b) Reports on Form 8-K.

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The Registrant did not file any reports on Form 8-K during the quarter ended November 29, 1996.

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)

/s/Ben B. Blount, Jr.

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Ben B. Blount, Jr.  
Chief Financial Officer

Date: JANUARY 9, 1997  
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## EXHIBIT 11

OXFORD INDUSTRIES, INC.  
 COMPUTATION OF PER SHARE EARNINGS  
 SIX MONTHS AND QUARTERS ENDED NOVEMBER 29, 1996  
 AND DECEMBER 1, 1995  
 (UNAUDITED)

	Six Months Ended		Quarter Ended	
	November 29, 1996	December 1, 1995	November 29, 1996	December 1, 1995
Net Earnings	\$10,074,000	\$2,901,000	\$6,599,000	\$2,623,000
Average Number of Shares Outstanding:				
Primary	8,745,029	8,802,440	8,709,136	8,793,512
Fully diluted	8,747,440	8,808,214	8,709,875	8,805,171
As reported*	8,741,465	8,707,324	8,707,924	8,714,170
Net Earnings per Common Share:				
Primary	\$1.15	\$0.33	\$0.75	\$0.30
Fully diluted	\$1.15	\$0.33	\$0.75	\$0.30
As reported*	\$1.15	\$0.33	\$0.75	\$0.30

\* 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		
	MAY-30-1997	
	NOV-29-1996	
		3,710
		0
	110,921	
	3,135	
	121,283	
	246,689	
		108,470
	74,171	
	286,929	
102,050		0
	0	
		0
		8,716
	125,535	
286,929		
		375,751
	375,751	
		307,218
	307,218	
	49,576	
	0	
	2,167	
	16,790	
		6,716
10,074		
	0	
	0	
		0
	10,074	
	1.15	
	1.15	

## EXHIBIT 99

INDEX OF EXHIBITS  
INCLUDED HERIN, FORM 10-Q  
NOVEMBER 29, 1996

EXHIBIT NUMBER	DESCRIPTION	SEQUENTIAL PAGE NUMBER
11	Statement re computation of per share earnings	12
27	Financial Data Schedule	13