

**LANDS' END
ICR CONFERENCE
JANUARY 2020**



FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements that involve risks and uncertainties, including statements regarding execution of the company's strategy, including the referenced plans and actions related to product and product development, digital focus and improvements, unichannel distribution development and business process and infrastructure plans and improvements; positive growth trends, including in size and health of buyer file; targeting growth of the Outfitters business; revenue, net income and adjusted EBITDA expectations for fiscal 2019; our long-term financial targets and related strategies and drivers; projected new customer acquisition; projected store counts; and plans for SMB site improvements in our Outfitters business. All statements other than statements of historical fact, including without limitation, those with respect to our goals, plans, expectations and strategies are forward-looking statements. The following important factors and uncertainties, among others, could cause actual results to differ materially from those described in these forward-looking statements: we may be unsuccessful in implementing our strategic initiatives, or our initiatives may not have their desired impact on our business; our ability to offer merchandise and services that customers want to purchase; changes in customer preference from our branded merchandise; our results may be materially impacted if all imports from China are subject to increased tariffs and we are unable to offset these increased costs through pricing negotiations with our vendor base, moving production out of China, passing through a portion of the cost increases to the customer, or other savings opportunities; customers' use of our digital platform, including customer acceptance of our efforts to enhance our e-commerce websites; customer response to our marketing efforts across all types of media; our maintenance of a robust customer list; our retail store strategy may be unsuccessful and we may be unable to open retail stores in locations and on terms that are acceptable to us; our dependence on information technology and a failure of information technology systems, including with respect to our e-commerce operations, or an inability to upgrade or adapt our systems; the success of our infrastructure and other systems implementations; fluctuations and increases in costs of raw materials; impairment of our relationships with our vendors; our failure to maintain the security of customer, employee or company information; our failure to compete effectively in the apparel industry; our inability to grow our outfitters business through the acquisition of new customers or new accounts because such opportunities are not available on terms acceptable to us or at all; legal, regulatory, economic and political risks associated with international trade and those markets in which we conduct business and source our merchandise; our failure to protect or preserve the image of our brands and our intellectual property rights; increases in postage, paper and printing costs; failure by third parties who provide us with services in connection with certain aspects of our business to perform their obligations; our failure to timely and effectively obtain shipments of products from our vendors and deliver merchandise to our customers; reliance on promotions and markdowns to encourage customer purchases; our failure to efficiently manage inventory levels; unseasonal or severe weather conditions; the adverse effect on our reputation if our independent vendors do not use ethical business practices or comply with applicable laws and regulations; assessments for additional state taxes; incurrence of charges due to impairment of goodwill, other intangible assets and long-lived assets; the impact on our business of adverse worldwide economic and market conditions, including economic factors that negatively impact consumer spending on discretionary items; the failure of Sears Holdings or its subsidiaries to perform under various agreements or our failure to have necessary systems and services in place when such agreements expire; potential indemnification liabilities to Sears Holdings pursuant to the separation and distribution agreement in connection with our separation from Sears Holdings; the ability of our principal shareholders to exert substantial influence over us; potential liabilities under fraudulent conveyance and transfer laws and legal capital requirements; and other risks, uncertainties and factors discussed in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended February 1, 2019, and Quarterly Reports on Form 10-Q. We intend the forward-looking statements to speak only as of the time made and do not undertake any obligation to update such statements.

An Iconic American Brand



We believe that a life well lived is spent creating memories with family and friends. Our customers are part of **our family** and we always go the extra mile to make them smile.



LANDS' END 

Lands' End Highlights

Key Financial Metrics (Q3 19)*

Revenue
\$340M

Gross Profit
\$154M

Adjusted EBITDA (1)
\$18.8M

Revenue Growth
(0.5%)

Gross Margin
45.3% / +110bps

Adjusted EBITDA Growth(1)
+\$3.1M / +20%

*Reflecting 89 fewer Lands' End Shops at Sears, revenue of \$17M. Excluding Sears impact growth of 4.7%.

6.5M

Direct Customers



32

National Accounts

American Airlines



Outfitting +300K
employees

140k

Small Business
Accounts



25 Lands' End US Stores

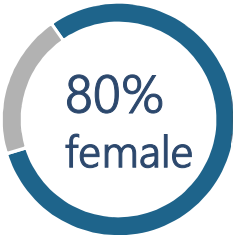


8 countries (2)

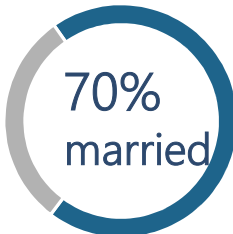
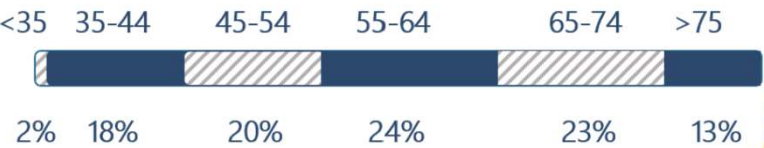
LANDS' END

(1) See slide 24 for note on adjusted EBITDA (2) Material ship-to countries

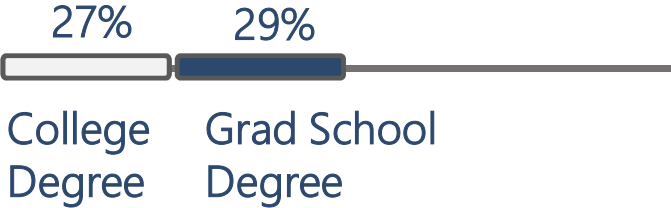
Our Customer



AGE 58yrs



Education

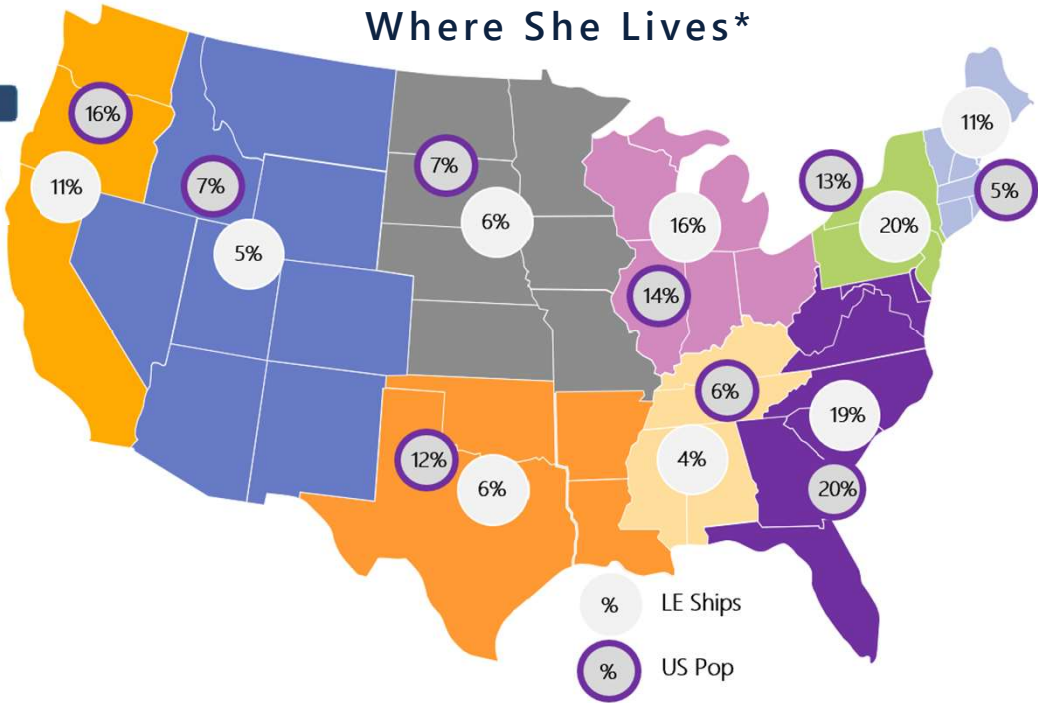


Income



\$100 – \$150K >\$150K

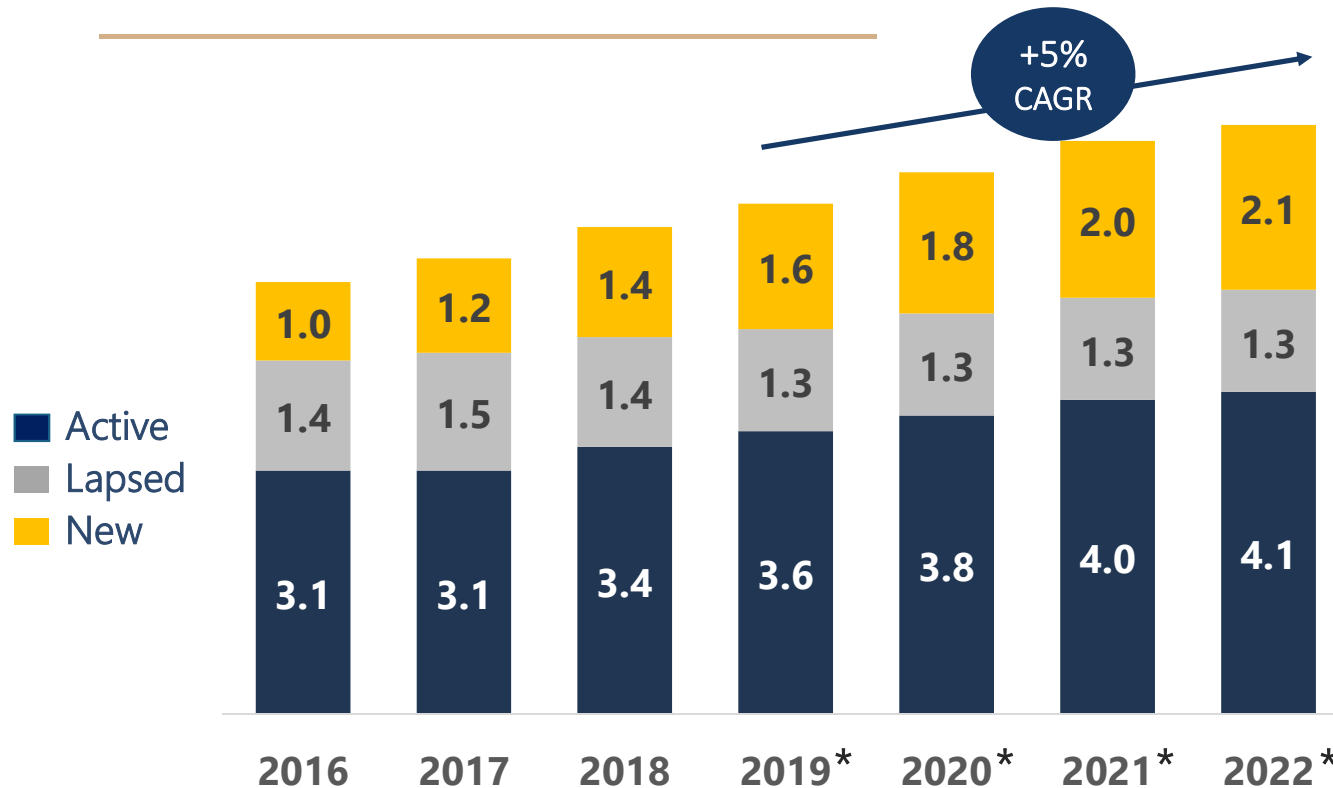
Where She Lives*



% LE Ships
% US Pop

* our domestic customer base

Steadily Producing Record New Customer Acquisition

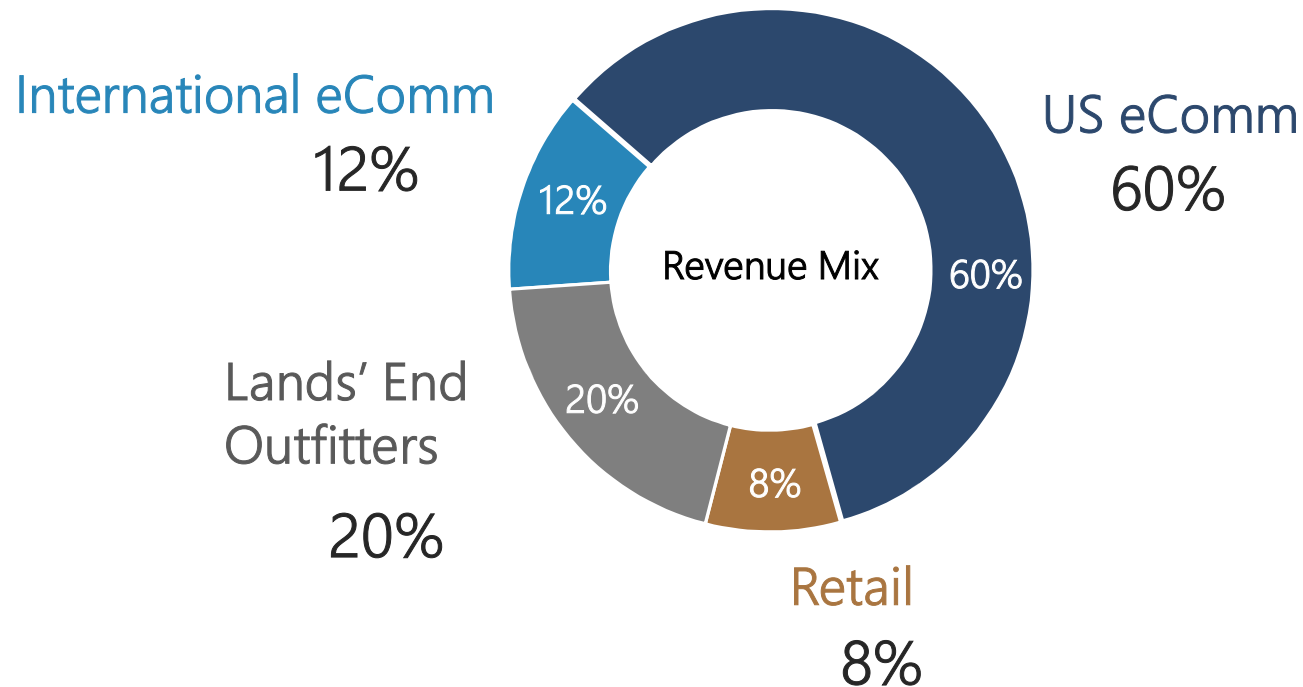


And growing our new customers faster than our marketing spend

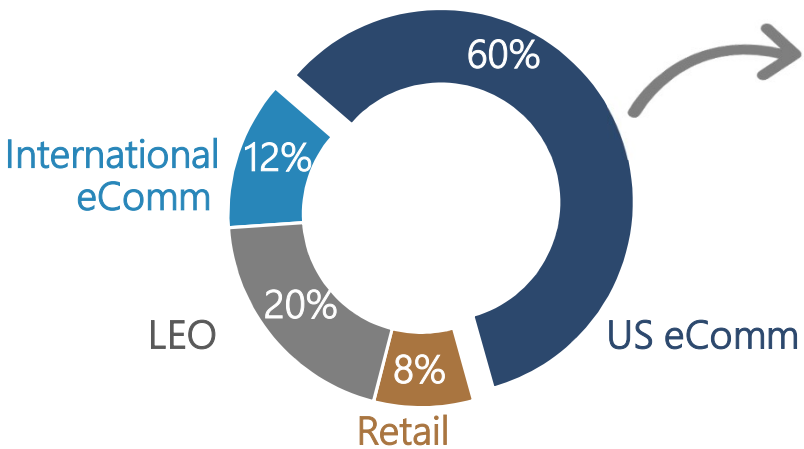


* Projected

Our Business

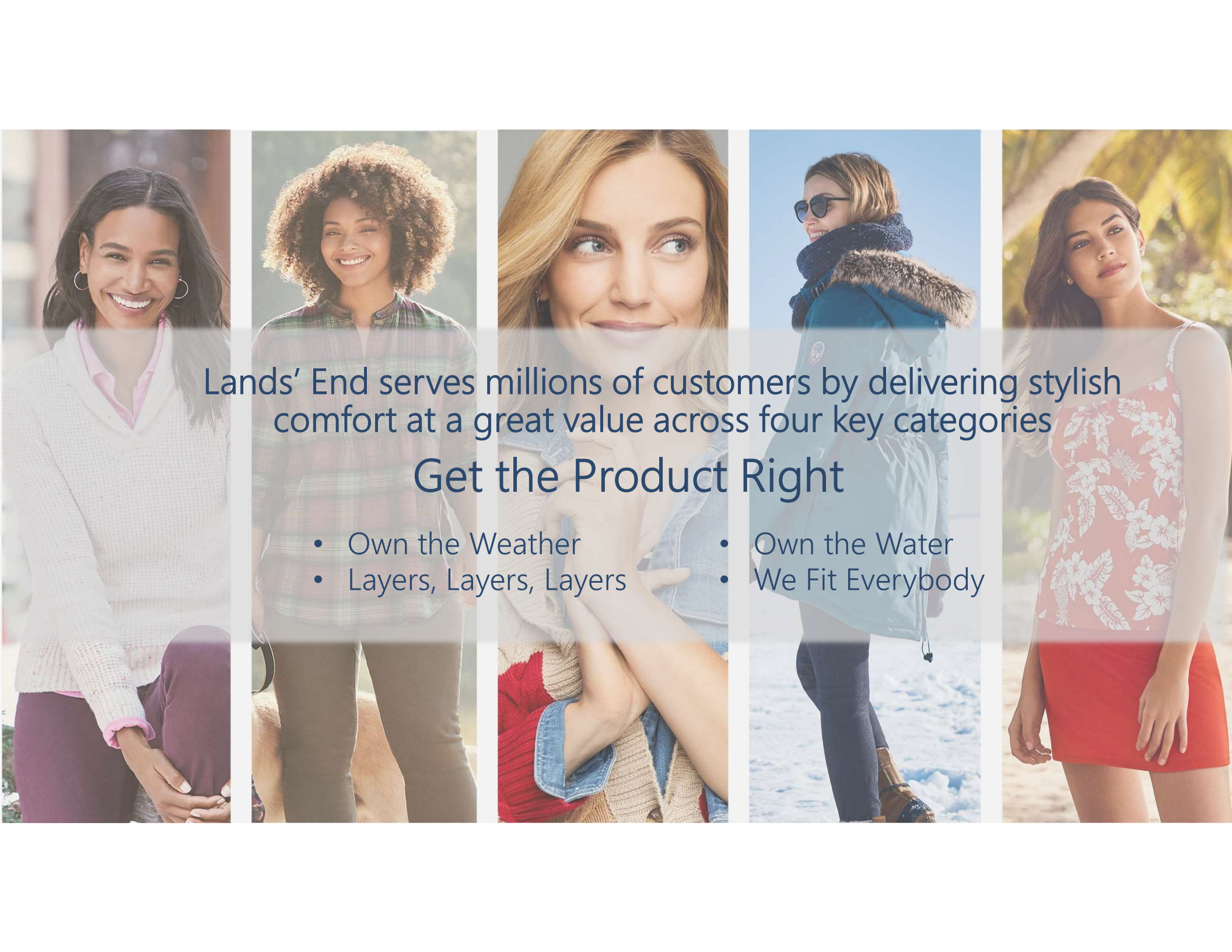


Our Business & Categories



US eComm Product Splits





Lands' End serves millions of customers by delivering stylish comfort at a great value across four key categories

Get the Product Right

- Own the Weather
- Layers, Layers, Layers
- Own the Water
- We Fit Everybody

Be Digitally Driven

Data Driven Decisions

- Test & Learn
- Operate with precision

Mobile Focus

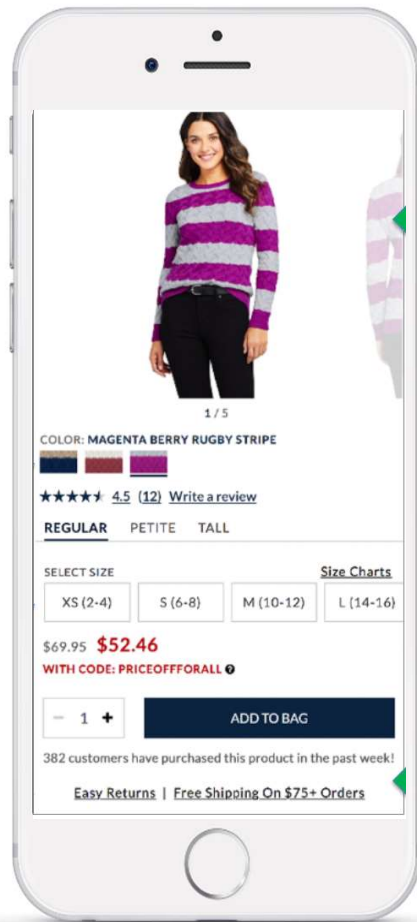
- Improved PDP
- Easier Checkout
- Quicker Content Load

AI Promo & Markdowns

- Dynamic Promo
- Price Clarity

Continuously Improving the Customer Experience

Mobile Focus



>50% of our Customers engage with us on Mobile

- PDP
- CHECKOUT
- PRICE CLARITY
- LOAD SPEED

AI Based Decisions

We are able to leverage data analytics to test pricing & promotion decisions

DYNAMIC PROMO

- Product level promo optimizing Gross Profit for the season
- Tailoring discounts for varying audiences
- Improving sell-through of seasonal product



PRICE CLARITY

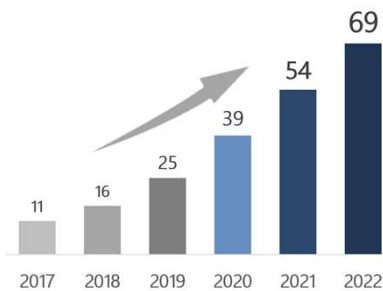
- Improved customer experience with clearly displayed promotional pricing
- Improved conversion



Profitable Uni Channel

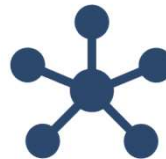
Serve Customers How, Where and When they want to Shop

Expand our Footprint



Accelerate Store Growth*

Expand our Reach



Marketplace, Wholesale,
Collaborations

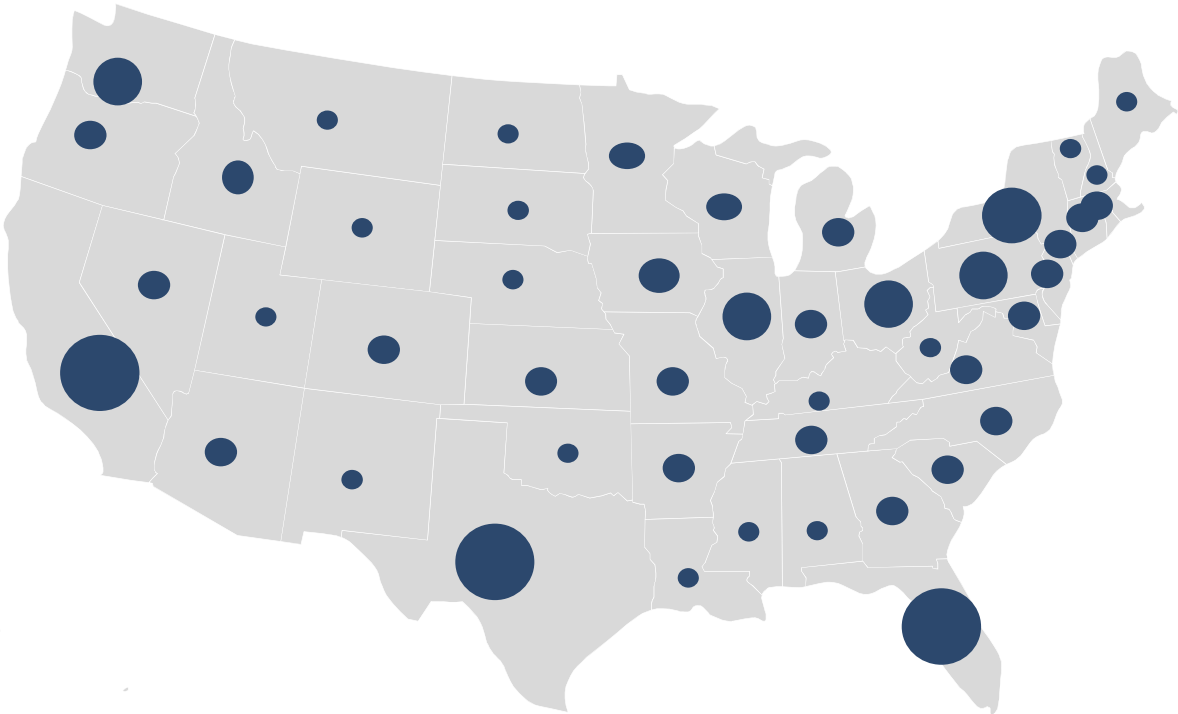
Grow Business Outfitters



National Accounts, School,
Small/Medium Business

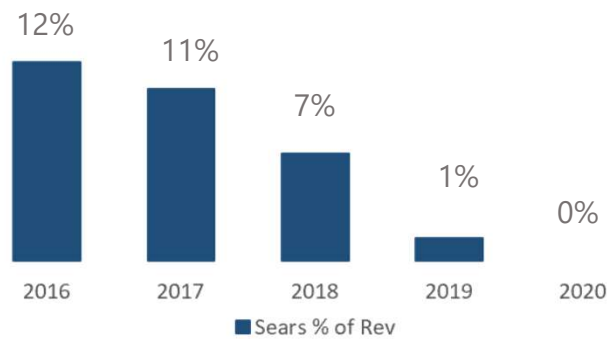
* Projected

Exiting out of Remaining Sears Locations



2016-2019: Exited from 300 Sears Locations*

** Currently in 29 Sears Stores – Exiting from these remaining by Jan 26th, 2020*



Expanding Our Footprint



* Projected



SHOWCASING OUR BRAND



CONNECTING WITH OUR CUSTOMER

Expanding Our Reach

Meeting our Customer where She shops

72% of our customers find it important for Lands' End to be on **Amazon**.

56% of our customers feel it would be helpful for Landsend.com to carry other brands.

More Distribution Channels



Product Collaborations

DRAPER JAMES



LANDS' END



Growing Business Outfitters

Outfitting +300K employees in 32 National Accounts and thousands more in Small to Medium accounts

National Accounts



- Account Retention Focus
- New Customer Acquisition & focus on customer pipeline
- Focus on talent

Small Medium Business Accounts



- Planned SMB site improvements to enhance customer experience
- Add 3rd party Apparel
- Improved digital marketing

School Uniform



- Focus on improved margins
- Expansion to Spiritwear
- Focus on new customer prospecting

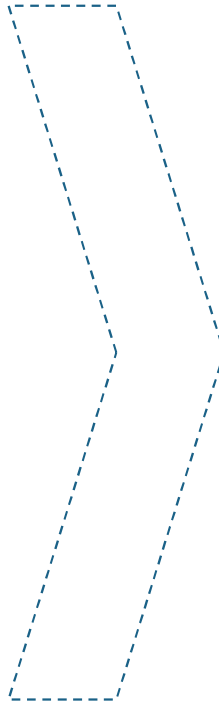


Infrastructure Enabling Growth

Warehouse Management System

Enterprise Order Management

Product to Market



- Rate Shopping / Service Assignment
- Package Optimization
- Carrier Optimization
- Labor Optimization

- US Marketplaces
- International Marketplaces
- Predictive Returns
- Omni-Channel Fulfillment

- Closer to Customer
- Right Product / Right Time
- Strategic Sourcing

Strategic Pillars Supporting Consistent Growth

Organic Growth

- Growing Customer File
- International Growth
- Increased Rebuy Rates

New Revenue Streams

- Growing Retail Segment
- Third Party Partnerships
- Expansion of Wholesale & Marketplaces

Increased EBITDA

- Gross Margin Expansion
- Improved SG&A Rate

OUR MISSION STATEMENT

Create products that make lives better, improve whenever possible and, above all else, work tirelessly to satisfy the needs of our customers, our employees and their families.

Appendix: Reconciliation of Non-GAAP Financial Information to GAAP

Reconciliation of Non-GAAP Financial Information to GAAP (Unaudited)

	13 Weeks Ended			
	November 1, 2019		November 2, 2018	
	\$s	% of Net revenue	\$s	% of Net revenue
<i>(in thousands)</i>				
NET INCOME (LOSS)	\$ 3,606	1.1 %	\$ 3,294	1.0 %
Income tax expense				
(benefit)	1,346	0.4 %	(3,978)	(1.2)%
Other (income) expense, net	(166)	0.0 %	1,866	0.5 %
Interest expense	6,121	1.8 %	7,303	2.1 %
Operating income	10,907	3.2 %	8,485	2.5 %
Depreciation and amortization	8,076	2.4 %	7,361	2.2 %
Other operating (income) expense	(206)	(0.1)%	4	—%
(Gain) loss on property and equipment	(19)	—%	(162)	—%
Adjusted EBITDA ⁽¹⁾	\$ 18,758	5.5 %	\$ 15,688	4.6 %



(1) See slide 24 for note on adjusted EBITDA

Appendix: Adjusted EBITDA definition

(1) Adjusted EBITDA - In addition to our Net income, for purposes of evaluating operating performance, we use an Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”), which is adjusted to exclude certain significant items as set forth below.

Our management uses Adjusted EBITDA to evaluate the operating performance of our business for comparable periods, and as an executive compensation metric. The methods used by the Company to calculate its non-GAAP financial measures may differ significantly from methods used by other companies to compute similar measures. As a result, any non-GAAP financial measures presented herein may not be comparable to similar measures provided by other companies. Adjusted EBITDA should not be used by investors or other third parties as the sole basis for formulating investment decisions as it excludes a number of important cash and non-cash recurring items.

While Adjusted EBITDA is a non-GAAP measurement, management believes that it is an important indicator of operating performance, and is useful to investors, because:

- EBITDA excludes the effects of financings, investing activities and tax structure by eliminating the effects of interest, depreciation and income tax
- Other significant items, while periodically affecting our results, may vary significantly from period to period and have a disproportionate effect in a given period, which affects comparability of results. We have adjusted our results for the following items to make our statements more comparable and therefore more useful to investors as the items are not representative of our ongoing operations.
 - Gain or loss on property and equipment - management considers the gains or losses on asset valuation, including impairments, to result from investing decisions rather than ongoing operations.