Lands' End Provides Update on Actions taken in Response to COVID-19

April 6, 2020

DODGEVILLE, Wis., April 06, 2020 (GLOBE NEWSWIRE) -- Lands' End (NASDAQ: LE), a leading uni-channel retailer known for high-quality apparel for the whole family and the home, provided an update on recent actions related to COVID-19.

Jerome Griffith, Chief Executive Officer and President of Lands' End stated, "At Lands' End , the safety and health of all our employees is our first priority and we are taking steps to minimize risk through work-at-home policies, as well as practicing social distancing and enhanced sanitation in our facilities. Given the uncertainty related to the severity and duration of COVID-19, we have also taken proactive steps to reduce costs, carefully manage inventory, and preserve liquidity."

A furlough of approximately 70% of Lands' End's corporate employees and nearly 100% of its retail employees began on March 28, 2020. While some of these personnel executing critical tasks will return to work on April 14, 2020, for many, the furlough will remain in effect through at least May 1, 2020, in line with the federal government's and with the State of Wisconsin's current timeline for the continuation of social distancing. Lands' End currently plans to fund health insurance premiums for employees while they are furloughed, through May 1, 2020. In addition, the Company's 26 U.S. stores, which closed on March 16, will remain closed until further notice, and in line with local guidance in the markets Lands' End serves.

The Company's website, **www.landsend.com** remains open 24/7 and the customer service team will be available via phone or text at **800.963.4816** or via email at **landsend@landsend.com** to provide service and to answer any questions customers may have.

In addition, the Company's Wisconsin-based distribution centers remain operational, and employees in this area are receiving a temporary increase in pay for all hours worked. In the interest of the safety of employees, the Company has made modifications to days of operation, and is maintaining six feet of space between employees. Lands' End continues to follow guidance from public health officials and government agencies, including the Centers for Disease Control and Prevention (CDC) and the World Health Organization (WHO), and is regularly performing deep cleaning and disinfecting processes.

Other cost reduction actions include:

- Temporarily reducing base salaries. As previously announced, Mr. Griffith's base salary has been reduced by 50%, the base salary of his executive team has been reduced by 20% and scaled reductions are being taken throughout the Company.
- Eliminating fiscal 2020 merit increases.
- Temporarily suspending the Company's 401 (k) match.
- Temporarily reducing Board of Directors compensation.
- Reducing capital expenditures to approximately $20 million in 2020 from $40 million in 2019.
- Significantly reducing other discretionary operating expenses.

With respect to liquidity, as reported in its Annual Report on Form 10-K, the Company increased capacity under its ABL Facility by $25 million, so that maximum borrowings are $200 million. The Company has drawn $75 million from the facility to provide it with extra working capital and cash on hand. As of April 6, 2020, $115 million in capacity remained available under the ABL Facility.

Lands' End's ties to the local Wisconsin communities where it operates run deep, and the Company is committed to helping its community members, many of whom are employees or family members of employees. As part of its local response to the COVID-19 outbreak, the Company has donated new Lands' End scrubs to Upland Hills Health in Dodgeville, Wisconsin to help support its staff when caring for patients, provided the staff of Reedsburg, Wisconsin Area Medical Center with jackets to wear in their outdoor triage area and in partnership with the Wisconsin Department of Administration, is providing, free of charge, distribution center capacity for the staging and distribution of Personal Protection Equipment (PPE) by the Department of Military Affairs.

"We remain committed to our employees and community, and we are ready and able to serve our customers online. While we don't know the duration of this pandemic, and its overall impact, we do know that Lands' End is an iconic brand with a strong American heritage, and we are ready to meet the needs of our loyal customers at this difficult time. Our brand has made it through rough environments over its nearly 60-year history, and the actions we are taking combined with our liquidity position give me confidence in our ability to weather this storm," said Griffith.

About Lands' End , Inc.:
Lands' End , Inc. (NASDAQ: LE) is a leading uni-channel retailer of casual clothing, accessories, footwear and home products. We offer products online at www.landsend.com, on third party online marketplaces and through retail locations. We are a classic American lifestyle brand with a passion for quality, legendary service and real value, and seek to deliver timeless style for women, men, kids and the home.

Forward Looking Statements

This press release contains forward-looking statements that involve risks and uncertainties, including statements regarding the Company's actions in response to COVID-19, the Company's efforts to reduce expenses and preserve financial flexibility, the Company's efforts with respect to ensuring the safety of its employees, the Company's expected level of capital expenditures in 2020 and the Company's confidence in its liquidity position and propects in light of the COVID-19 situation. The following important factors and uncertainties, among others, could cause actual results to differ materially from those described in these forward-looking statements: the Company may be unsuccessful in implementing these measures, or the measures may not have their desired impact; the impact of COVID-19 or other pandemics on the Company's business and prospects; the Company's

ability to offer merchandise and services that customers want to purchase; changes in customer preference from the Company's branded merchandise; the Company's results may be materially impacted if tariffs on imports from China increase and it is unable to offset the increased costs from current or future tariffs through pricing negotiations with the Company's 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 the Company's digital platform, including customer acceptance of the Company's efforts to enhance its e-commerce websites; customer response to the Company's marketing efforts across all types of media; the Company's maintenance of a robust customer list; the Company's retail store strategy may be unsuccessful and it may be unable to open retail stores in locations and on terms that are acceptable to us, or at all; the Company's dependence on information technology and a failure of information technology systems, including with respect to the Company's e-commerce operations, or an inability to upgrade or adapt the Company's systems; fluctuations and increases in costs of raw materials; impairment of the Company's relationships with the Company's vendors; the Company's failure to maintain the security of customer, employee or Company information; the Company's failure to compete effectively in the apparel industry; the condition of the lending and debt markets, at the time it seeks to refinance the Company's term loan; legal, regulatory, economic and political risks associated with international trade and those markets in which the Company conducts business and sources the Company's merchandise; the Company's failure to protect or preserve the image of the Company's brands and the Company's 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 the Company's business to perform their obligations; the Company's failure to timely and effectively obtain shipments of products from the Company's vendors and deliver merchandise to the Company's customers; reliance on promotions and markdowns to encourage customer purchases; the Company's failure to efficiently manage inventory levels; unseasonal or severe weather conditions; the adverse effect on the Company's reputation if the Company's 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 the Company's business of adverse worldwide economic and market conditions, including economic factors that negatively impact consumer spending on discretionary items; potential indemnification liabilities to Sears Holdings pursuant to the separation and distribution agreement in connection with the Company's separation from Sears Holdings; the ability of the Company's 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 the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 2020. The Company intend the forward-looking statements to speak only as of the time made and do not undertake to update or revise them as more information becomes available, except as required by law.

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