



let's get comfy™

ICR Conference
January 2021



Forward Looking Statements

This presentation contains forward-looking statements that involve risks and uncertainties, including statements regarding the Company's assessment of its ability to execute its long-term growth strategies and the expected benefits of those strategies; the Company's belief and assessment of future growth opportunities; the projected share of business, by line of business and by product category, in fiscal 2021; plans to double distribution to 300 Kohl's stores selling Lands' End product in 2021; planned investments in infrastructure and process, and the expected benefits of such investments; the Company's efforts with respect to sustainability and its sustainability goals; the Company's outlook and expectations as to net revenue, net income, earnings per share and Adjusted EBITDA for the fourth quarter of fiscal 2020; and the Company's long-term financial targets for revenue and EBITDA margin, the drivers of such targets, including organic growth in US and international eCommerce businesses, an extended recovery in the Outfitters business post-pandemic, expansion of the third-party channel, stable to slightly higher gross margin and improved SG&A rate, and the expected timing of the achievement of the long-term financial targets. The following important factors and uncertainties, among others, could cause actual results to differ materially from those described in these forward-looking statements: the impact of COVID-19 on operations, customer demand and the Company's supply chain, as well as its consolidated results of operation, financial position and cash flows; the Company may be unsuccessful in implementing its strategic initiatives, or its initiatives may not have their desired impact on its business; 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 to the United States increase and it is unable to offset the increased costs from current or future tariffs through pricing negotiations with its vendor base, moving production out of countries impacted by the tariffs, 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 its efforts to enhance its eCommerce websites, including the Outfitters website; 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; the Company's relationship with Kohl's may not develop as planned or have its desired impact; the Company's dependence on information technology and a failure of information technology systems, including with respect to its eCommerce operations, or an inability to upgrade or adapt its systems; fluctuations and increases in costs of raw materials; impairment of the Company's relationships with its 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; legal, regulatory, economic and political risks associated with international trade and those markets in which the Company conducts business and sources its merchandise; the Company's failure to protect or preserve the image of its brands and its intellectual property rights; increases in postage, paper and printing costs; failure by third parties who provide the Company with services in connection with certain aspects of its business to perform their obligations; the Company's failure to timely and effectively obtain shipments of products from its vendors and deliver merchandise to its 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 its 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 the Company; 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, and subsequent Quarterly Reports on Form 10-Q, as well as in the Company's Current Report on Form 8-K dated June 2, 2020. The Company intends the forward-looking statements to speak only as of the time made and does not undertake to update or revise them as more information becomes available, except as required by law.



Our Brand



OUR PURPOSE

Let's Get Comfy

Why we do
what we do.

OUR POSITIONING

An American family lifestyle brand
inspired by life lived with purpose.

Where we stand
in the marketplace.

OUR CORE VALUES

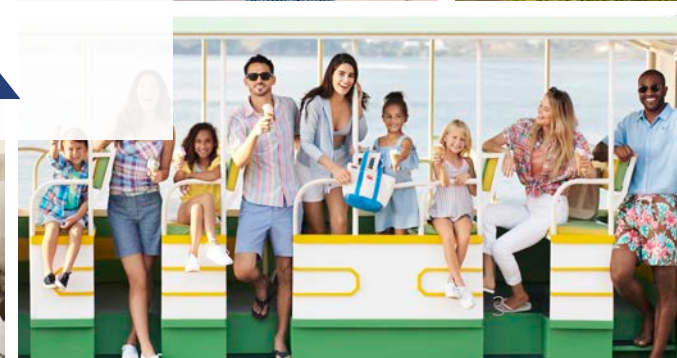
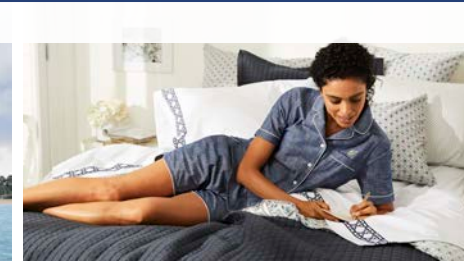
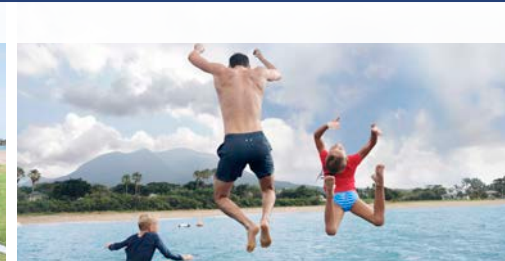
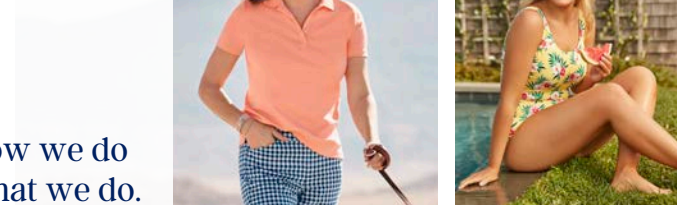
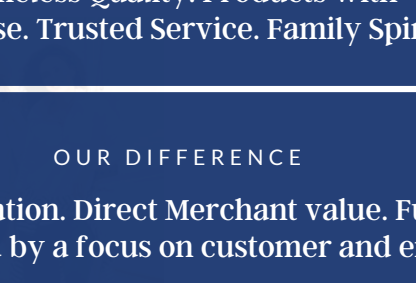
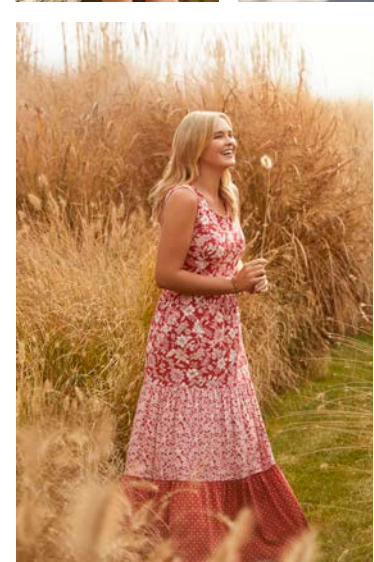
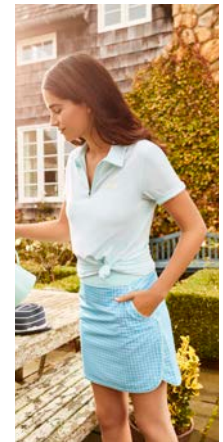
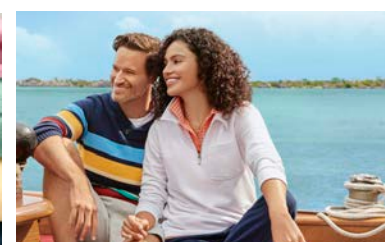
Timeless Quality. Products with
Purpose. Trusted Service. Family Spirit.

What we do.

OUR DIFFERENCE

Product innovation. Direct Merchant value. Functionally
superior. Inspired by a focus on customer and employee first.

How we do
what we do.



OUR MESSAGE

Let's Get Comfy

Since 1963 Lands' End has provided comfort our customers can feel, touch, and trust with every interaction and within every product. We stand for inclusivity, versatility and quality in everything we do.

Our Mission

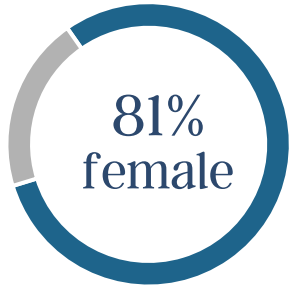
A more comfortable world



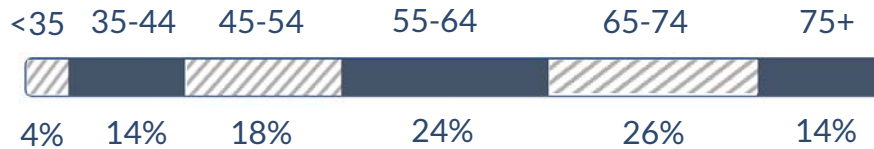
Create products that make lives better, improve whenever possible and, above all else, work tirelessly to satisfy the needs of our customers, our employees and their families. At Lands' End we make clothes that fit Every Body.

Our Customer:

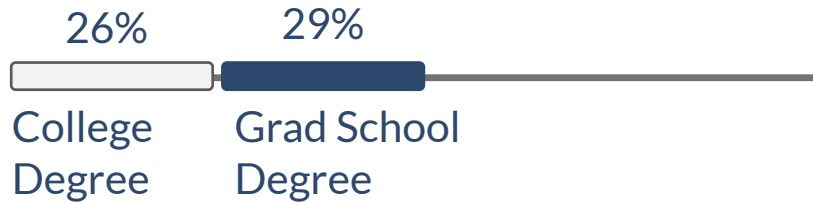
Educated, Affluent, Suburban, Female



Age



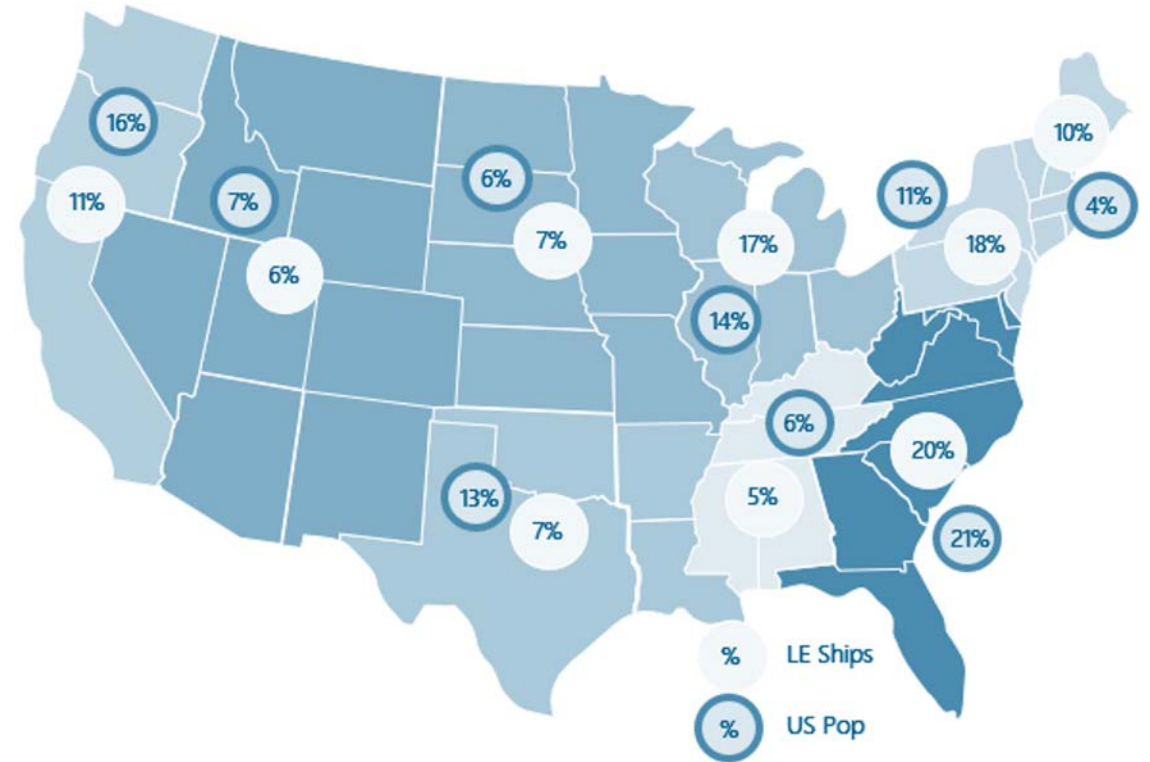
Education



Income



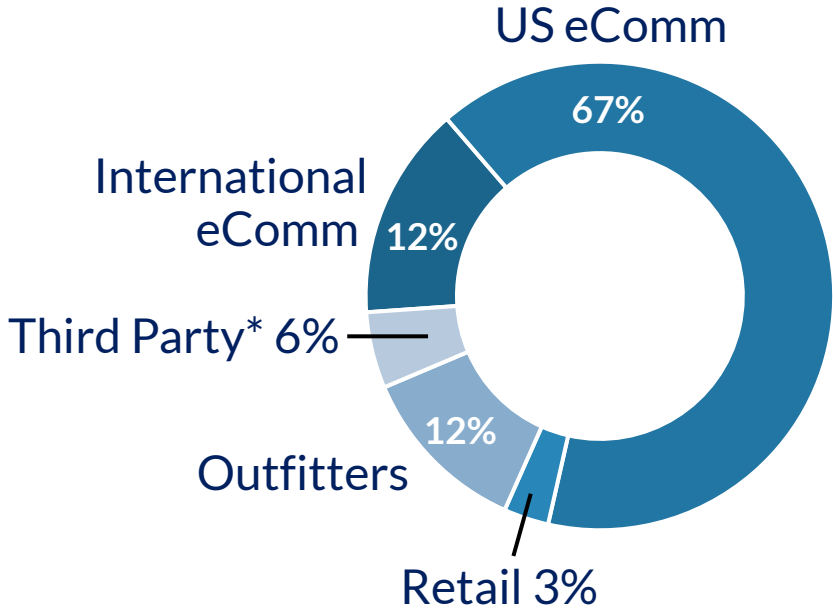
Where She Lives*



*our domestic customer base

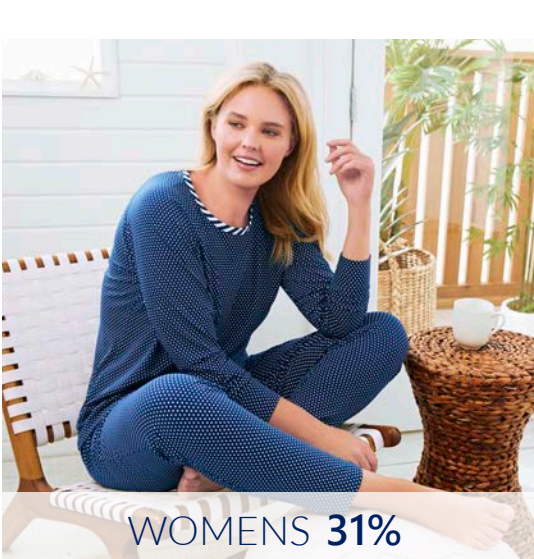


Our Business & Categories (2021 Projections)



*Amazon, Kohl's

US eComm Product Splits



Q3 2020 Business Highlights

REVENUE

+5.9%

Global eCommerce increased 19.6% while Outfitters decreased 25.6%.

GROSS MARGIN

+10 bps

Increased to 45.4% despite higher shipping costs.

SG&A

(230) bps

Leveraged approximately 230 basis points to 37.5% of Revenue.

NET INCOME

+200%

ADJUSTED EBITDA

+52.3%

TOTAL BUYER FILE

+17.2%

KOHL'S LAUNCH

150 stores

Successful launch on kohls.com and 150 Kohl's stores; plans to double distribution to 300 stores in 2021.

DEBT REFINANCE

\$275M

Enhanced liquidity position with a new term loan of \$275M and expanded ABL Facility by \$75M to \$275M.



Increased Q4 Guidance

REVENUE

\$528M to \$533M

Low double digit growth in Global eCommerce.
After adjusting for the American Airline Launch of \$40M in Q4 2019,
revenue is expected to increase between 4% and 5% versus prior year.

NET INCOME

\$17.5M to \$19.0M

EPS

\$0.54 to \$0.58

ADJUSTED EBITDA

\$43.0M to \$45.0M

2020 Highlights

Despite the challenges presented by COVID-19, fiscal 2020 has witnessed the strength of Lands' End's strategic pillars and realization of investments, positioning and developments

- Significant Global eCommerce revenue growth driven by product and digital advancements, coupled with work-from-home lifestyle and casual apparel preferences
- Broadened uni-channel distribution and appeal of Lands' End product
 - Launched entire assortment on Kohls.com, and a selection of products in 150 Kohl's stores. Based on early results, planning to expand to 300 stores in 2021.
- Launched the Lands' End marketplace in 2020, making third-party product available to our customers on our website
- Delivered profitable growth by effectively managing SG&A cost structure
- Successfully refinanced term loan debt, yielding a more flexible debt structure utilizing new term loan and increased ABL



Ongoing Strategic Pillars

Get the product right.

Be digitally-driven.

Execute a successful uni-channel strategy.

Develop and improve business processes and infrastructure.

Make Lands' End a great place to work.



Get the Product Right

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

- Own the Weather
- Own the Water
- Layers, Layers, Layers
- We Fit Every Body

LANDS' END 



Be Digitally-driven



Data Driven Decisions

- Continuous Test & Learn
- Operate With Precision
- Actively Listen to Customer Signals



Artificial Intelligence & Machine Learning

- Dynamic Promo
 - Optimize Gross Profit Via Product-level Promotions
 - Improve Sell-through of Seasonal Product
- Price Clarity Drives Easy Experience
- Optimize For Internal & External Search



Mobile Focus

- Improve PDP
- Easier Checkout
- Drive Overall Site Speed

Continuously Improving the Customer Experience



Uni-Channel - Expanding Our Reach

Prior to 2018, Lands' End was only available in Sears stores, small legacy store presence and online. Now:



Global eCommerce

- Growing domestic and international businesses

Operate 31 Lands' End retail locations

- In-store kiosk drive to eCommerce, physical shopping experience, curbside pickup and customer service center



Available at Kohl's

- Online – full assortment
- In store – 150 stores at launch; planned expansion to 300 stores in 2021



Amazon

- Select assortment, attracting slightly younger, more male customer

DRAPER JAMES



LANDS' END

Collaboration with Draper James

- Swim product available through Draper James stores and website, in addition to landsend.com



Infrastructure Investments Enabling Growth

Enterprise Order Management
(2019 – 2020)

Product to Market
(2020 – 2021)

Warehouse Management System
(2021 – 2023)



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

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

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



A Great Place To Work

A More Comfortable World

We care about our employees, our community and our planet.



For our customers and our employees, we are committed to creating an inspiring culture that is welcoming, safe and inclusive for all. Our strength in work and life comes from the combination of our unique experiences, backgrounds, and talents.

In support of this commitment, we maintain Business Resource Groups, Employee Training, Diversity & Inclusion Council, Diversity & Inclusion Resource Site



Our commitment to minimizing our environmental impact is an ongoing priority for Lands' End. We are working towards the goal of improving product circularity and developing products with recycled and sustainable components.

This includes alliances with Allied Feather & Down, Better Cotton Initiative, PrimaLoft, Repreve, and more.



Our charitable giving is rooted in providing comfort to others, which begins with three primary human needs: safety, food, and shelter.

This includes developing 2,000+ products with UPF protection in partnership with The Skin Cancer Foundation and providing outerwear to people in need through One Warm Coat.



Sustainability Priorities and Goals



Sustainable Cotton 100% of cotton fibers purchased from more sustainable sources by 2025



Water Conservation 30% of products using water saving manufacturing techniques by 2022



Recycled Polyester 100% of polyester fibers to be from a recycled source by 2025



Traceable Down 100% of Lands' End products currently use Responsible Sourced Down



Circularity Create a viable circular product component by 2023



Label and Packaging 100% of packaging and labels to be sourced sustainably by 2025



Long Term Financial Targets

Through continued execution of the Company's strategies it is positioned to achieve these financial targets for fiscal 2023.

REVENUE:
\$1.9 billion to \$2.1 billion.

Growth Strategies:

- **ORGANIC GROWTH IN BOTH U.S. AND INTERNATIONAL eCOMMERCE BUSINESSES**
 - Drive growth in the customer file with increased marketing productivity.
 - Optimize search engine data analytics focused on driving traffic and conversion.
- **POST PANDEMIC RECOVERY IN OUTFITTERS**
 - Enhance personalization capabilities to establish new B2B partners.
 - Expand school uniform business.
- **THIRD PARTY**
 - Expansion of Kohl's stores and Amazon partnerships.

ADJUSTED EBITDA MARGIN:
High-Single-Digit Range.

Driven By:

- **STABLE TO SLIGHT GROSS MARGIN EXPANSION**
 - Improve inventory management through product lifecycle and strategic sourcing initiatives.
 - Leverage AI to analyze customer behavior and optimize promotional activity.
- **IMPROVED SG&A RATE**
 - Leverage higher sales.
 - Continue to identify cost efficiencies through business process improvements.



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

	13 Weeks Ended			
	October 30, 2020		November 1, 2019	
	\$'s	% of Net revenue	\$'s	% of Net revenue
<i>(in thousands)</i>				
Net income	\$ 7,176	2.0%	\$ 3,606	1.1%
Income tax expense	2,752	0.8%	1,346	0.4%
Other income, net	(250)	(0.1)%	(166)	(0.0)%
Interest expense	9,005	2.5%	6,121	1.8%
Operating income	18,683	5.2%	10,907	3.2%
Depreciation and amortization	9,627	2.7%	8,076	2.4%
Other operating expense (income)	132	0.0%	(206)	(0.1)%
Corporate restructuring	16	0.0%	—	—
Loss (gain) on property and equipment	107	0.0%	(19)	(0.0)%
Adjusted EBITDA	\$ 28,565	7.9%	\$ 18,758	5.5%

Fiscal 2020 Fourth Quarter Guidance	13 Weeks Ended			
	January 29, 2021			
<i>(in millions)</i>				
Net income	\$ 17.5	-	\$ 19.0	
Depreciation, interest, other income, taxes and other adjustments	25.5	-	26.0	
Adjusted EBITDA	\$ 43.0	-	\$ 45.0	



Appendix: Adjusted EBITDA definition

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, as well as for executive compensation metrics, for comparable periods. Adjusted EBITDA should not be used by investors or other third parties as the sole basis for formulating investment decisions as it excludes several important cash and non-cash recurring items.

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.

While Adjusted EBITDA is a non-GAAP measurement, management believes that it is an important indicator of operating performance, and 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 these items to make our statements more comparable and therefore more useful to investors as the items are not representative of our ongoing operations.

- For the 13 weeks ended October 30, 2020 and the 39 weeks ended October 30, 2020 we excluded the impacts of corporate restructuring which includes the severance for the reduction in corporate staff in the second quarter of fiscal 2020.
- For the 39 weeks ended October 30, 2020 we excluded the impacts of impairment including goodwill impairment and long-lived asset impairment.
- For the 13 weeks and 39 weeks ended October 30, 2020 and November 1, 2019 we excluded the impacts of gain or loss on property and equipment as management considers the gains or losses on asset valuation to result from investing decisions rather than ongoing operations.