

September 9, 2008

Key Metrics

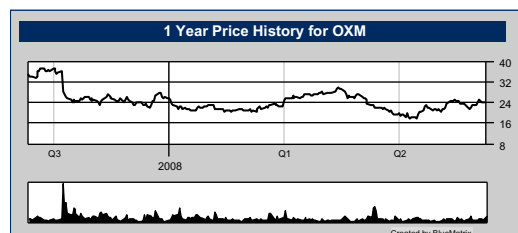
OXM - NYSE	\$24.26
Pricing Date	09/08/2008
Price Target	NA
52-Week Range	\$38.40-\$17.40
Shares Outstanding (mm)	15.8
Market Capitalization (\$mm)	\$384.5
3-Mo Average Daily Volume	184,828
Institutional Ownership	90%
Debt/Total Capital	36.6%
ROE	9.2%
Book Value/Share	\$25.80
Price/Book	0.9x
Dividend Yield	2.8%
LTM EBITDA Margin	8.49%

EPS(\$) FY: January

	2008A	Prior 2009E	Curr. 2009E	Prior 2010E	Curr. 2010E
1Q-Apr	0.95	--	0.59A	--	--
2Q-Jul	0.49	--	0.33E	--	--
3Q-Oct	0.76	--	0.64E	--	--
4Q-Jan	0.36	--	0.37E	--	--
FY	2.59	--	1.93E	--	2.36E
P/E	9.4x	--	12.6x	--	10.3x

Revenue(\$mm)

	2008A	Prior 2009E	Curr. 2009E	Prior 2010E	Curr. 2010E
1Q-Apr	292.4	--	272.9A	--	--
2Q-Jul	244.6	--	230.0E	--	--
3Q-Oct	286.3	--	260.0E	--	--
4Q-Jan	261.9	--	240.0E	--	--
FY	1,085.3	--	1,002.9E	--	1,053.1E



Company Description: Oxford Industries, Inc. (www.oxfordinc.com) is a producer and marketer of branded and private label apparel for men, women, and children. Oxford's customers include national chains, specialty catalogs, mass merchants, department stores, specialty stores, and Internet retailers.

Oxford Industries, Inc.

Rating: Hold

F2Q09 EPS Preview: EPS of \$0.33 Expected Versus \$0.49 LY

Investment Highlights:

- **Oxford scheduled to report F2Q09 EPS Tuesday night, after the market close.** We are projecting EPS of \$0.33, \$0.01 below the Street consensus and \$0.16 below last year's comparable results. A conference call is scheduled for 4:30 p.m. EST that day.
- **Weak industry conditions/planned reductions expected to reduce Y/Y sales 6%.** A soft economic environment and the ongoing rationalization of the Oxford Apparel line should reduce F2Q09 sales 6% Y/Y to \$230mm. We expect all of Oxford's lines to decline with the largest percentage Y/Y reduction to continue within Lanier Clothes and Oxford Apparel.
- **Product mix shift should boost gross margins yet reduce SG&A leverage.** While we do expect Tommy Bahama's (TB) operating profit to decline Y/Y, we believe the line typically carries above company average gross margins; therefore, a higher percentage of TB sales should expand gross margins 120 bps Y/Y. However, reduced sales leverage should lower overall profits and EBIT margins Y/Y. We expect EBIT margins to decline to 6.1% from 6.8% with operating profit down \$2.6mm Y/Y.
- **Recent share repurchase program should expand interest expense/reduce share count.** Oxford recently completed a \$60mm share repurchase program and acquired roughly 2.5mm shares. An expected Y/Y increase in interest expense should be more than offset by roughly 2.5mm fewer shares outstanding in the quarter.
- **We maintain our Hold rating.** While we believe Oxford is well positioned to materially expand its earnings should domestic economic conditions improve, visibility for such a turnaround appears limited at this point.

EQUITY RESEARCH

Oxford Industries (OXM)

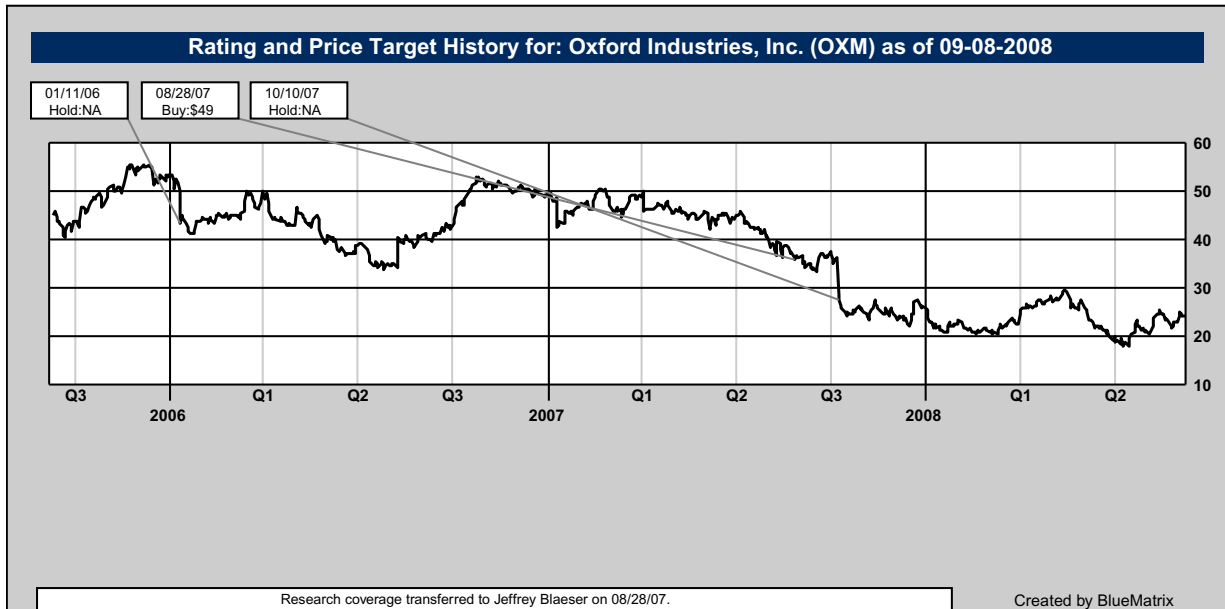
(In Millions, Except Per Share Data)

Quarter End	FY* 2007	Q1 May-07	Q2 Aug-07	Q3 Nov-07	Q4 Feb-08	FY 2008	Q1 May-08	Q2E Aug-08	Q3E Nov-08	Q4E Jan-09	FYE 2009	FYE 2010
Sales	1128.9	292.4	244.6	286.3	261.9	1085.3	272.9	230.0	260.0	240.0	1002.9	1053.1
% Increase	1.8%	NA	NA	NA	NA	NA	-6.7%	-6.0%	-9.2%	-8.4%	-7.6%	5.0%
Cost of Goods Sold	681.1	171.9	141.6	174.1	159.9	647.4	156.6	130.4	148.2	135.6	570.8	600.3
As % Sales	60.3%	58.8%	57.9%	60.8%	61.0%	59.7%	57.4%	56.7%	57.0%	56.5%	56.9%	57.0%
% Increase	0.5%	NA	NA	NA	NA	NA	-8.9%	-7.9%	-14.9%	-15.2%	-11.8%	5.2%
Gross Profit	447.8	120.5	103.0	112.2	102.0	437.8	116.3	99.6	111.8	104.4	432.1	452.8
Margin	39.7%	41.2%	42.1%	39.2%	39.0%	40.3%	42.6%	43.3%	43.0%	43.5%	43.1%	43.0%
% Increase	3.7%	NA	NA	NA	NA	NA	-3.5%	-3.4%	-0.4%	2.3%	-1.3%	4.8%
SG&A	356.4	93.1	89.0	92.8	91.2	366.0	99.6	90.0	95.0	94.0	378.6	390.0
As % Sales	31.6%	31.8%	36.4%	32.4%	34.8%	33.7%	36.5%	39.1%	36.5%	39.2%	37.8%	37.0%
% Increase	5.5%	NA	NA	NA	NA	NA	7.1%	1.2%	2.3%	3.1%	3.4%	3.0%
Amortization	6.4	1.7	1.3	1.2	1.2	5.4	0.8	1.0	1.0	1.0	3.8	3.5
As % Sales	0.6%	0.6%	0.5%	0.4%	NA	0.5%	0.3%	0.4%	0.4%	0.4%	0.4%	0.3%
% Increase	-16.2%	NA	NA	NA	NA	NA	-53.5%	-24.1%	-18.5%	-16.2%	-30.3%	-7.6%
Royalties/Other (Income)	-15.2	-5.2	-3.8	-5.0	-5.3	-19.3	-4.2	-5.4	-5.5	-5.5	-20.6	-21.0
As % Sales	-1.3%	-1.8%	-1.6%	-1.7%	NA	-1.8%	-1.5%	-2.3%	-2.1%	-2.3%	-2.1%	-2.0%
% Increase	15.7%	NA	NA	NA	NA	NA	-19.0%	41.0%	10.0%	4.1%	6.8%	2.0%
Operating Expense	347.6	89.6	86.4	89.1	87.1	352.2	96.2	85.6	90.5	89.5	361.8	372.5
As % Sales	30.8%	30.6%	35.3%	31.1%	NA	32.5%	35.3%	37.2%	34.8%	37.3%	36.1%	35.4%
Operating Profit	100.1	30.9	16.6	23.2	14.9	85.7	20.1	14.0	21.3	14.9	70.3	80.3
Margin	8.9%	10.6%	6.8%	8.1%	NA	7.9%	7.4%	6.1%	8.2%	6.2%	7.0%	7.6%
% Increase	1.0%	NA	NA	NA	NA	NA	-35.1%	-15.7%	-8.1%	-0.3%	-18.0%	14.3%
Interest Expense	22.2	5.4	5.1	5.5	6.4	22.4	6.3	6.3	6.3	6.3	25.2	25.0
Other Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pretax Profit	77.9	25.5	11.5	17.7	8.6	63.3	13.7	7.7	15.0	8.6	45.0	55.3
Margin	6.9%	8.7%	4.7%	6.2%	NA	5.8%	5.0%	3.3%	5.8%	3.6%	4.5%	5.3%
% Increase	3.6%	NA	NA	NA	NA	NA	-46.2%	-33.2%	-15.0%	0.1%	-28.9%	22.9%
Taxes(benefit)	27.4	8.5	2.8	4.0	2.7	17.9	4.2	2.6	5.1	2.9	14.9	18.8
Rate	35.2%	33.1%	24.1%	22.6%	31.2%	28.3%	30.8%	34.0%	34.0%	34.0%	33.0%	34.0%
Net Income--Oper.	50.5	17.1	8.7	13.7	5.9	45.4	9.5	5.1	9.9	5.7	30.2	36.5
Margin	4.5%	5.8%	3.6%	4.8%	NA	4.2%	3.5%	2.2%	3.8%	2.4%	3.0%	3.5%
% Increase	2.0%	NA	NA	NA	NA	NA	-44.3%	-41.9%	-27.6%	-3.9%	-33.6%	21.1%
EPS--Operations	2.83	0.95	0.49	0.76	0.36	2.59	0.59	0.33	0.64	0.37	1.93	2.36
% Increase	1.4%	NA	NA	NA	NA	NA	-38.0%	-32.8%	-16.2%	1.4%	-25.5%	22.2%
Shares Out. Diluted	17.9	17.9	17.9	17.9	16.4	17.6	16.1	15.5	15.5	15.5	15.6	15.5

Source: Company reports and Morgan Joseph estimates

*Unadjusted Fiscal year end

Required Disclosures



I, Jeffrey Blaeser, the author of this research report, certify that the views expressed in this report accurately reflect my personal views about the subject securities and issuers, and no part of my compensation was, is, or will be directly or indirectly tied to the specific recommendations or views contained in this research report.

Research analyst compensation is dependent, in part, upon investment banking revenues received by Morgan Joseph & Co. Inc.

Morgan Joseph & Co. Inc. intends to seek or expects to receive compensation for investment banking services from the subject company within the next three months.

Rating	Investment Banking Services/Past 12 Mos.	
	Percent	Percent
BUY [B]	55.68	34.69
HOLD [H]	43.18	31.58
SELL [S]	1.14	0.00

Meaning of Ratings

- A) Buy means reasonable outperformance relative to the market over 12-18 months.
- B) Hold means market-type risk adjusted performance; potential source of funds.
- C) Sell means expected to underperform the market.

Other Disclosures

The information contained herein is based upon sources believed to be reliable but is not guaranteed by us and is not considered to be all inclusive. It is not to be construed as an offer or the solicitation of an offer to sell or buy the securities mentioned herein. Morgan Joseph & Co. Inc., its affiliates, shareholders, officers, staff, and/or members of their families, may have a position in the securities mentioned herein, and, before or after your receipt of this report, may make or recommend purchases and/or sales for their own accounts or for the accounts of other customers of the Firm from time to time in the open market or otherwise. Opinions expressed are our present opinions only and are subject to change without notice. Morgan Joseph & Co. Inc. is under no obligation to provide updates to the opinions or information provided herein. Additional information is available upon request.

Morgan Joseph & Co. Inc.

600 Fifth Avenue, 19th Fl

New York, NY 10020

Tel. 212.218.3700

Fax. 212.218.3789

Sales and Trading

New York

Tel. 212.218.3767

Fax. 212.218.3705

Pittsford

Tel. 877.237.6542

Fax. 585.899.6029