

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549/X/ Quarterly Report Under Section 13 and 15(d)
of the Securities Exchange Act of 1934

or

/ / Transition Report Pursuant to Section 13 and 15(d)
of the Securities Exchange Act of 1934For Quarter Ended April 27, 1996
Commission file number 1-4908The TJX Companies, Inc.
(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of
incorporation or organization)

04-2207613

(I.R.S. Employer
Identification No.)770 Cochituate Road
Framingham, Massachusetts
(Address of principal executive offices)01701
(Zip Code)(508)390-1000
(Registrant's telephone number, including area code)

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 X . No .

The number of shares of Registrant's common stock outstanding as of May 25, 1996, 72,849,601.

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PART I FINANCIAL INFORMATION
THE TJX COMPANIES, INC. AND CONSOLIDATED SUBSIDIARIES
STATEMENTS OF INCOME
(UNAUDITED)
DOLLARS IN THOUSANDS EXCEPT PER SHARE AMOUNTS

	Thirteen Weeks Ended	
	April 27, 1996	April 29, 1995
Net sales	\$1,604,243	\$ 830,430
Cost of sales, including buying and occupancy costs	1,240,659	634,437
Selling, general and administrative expenses	297,032	170,196
Interest on debt, net	15,105	8,499
Income from continuing operations before income taxes	51,447	17,298
Provision for income taxes	21,361	7,788
Income from continuing operations	30,086	9,510

Income (loss) from discontinued operations, net of income taxes	-	(1,445)
Net income	30,086	8,065
Preferred stock dividends	4,527	1,789
Net income available to common shareholders	\$ 25,559	\$ 6,276
Primary and fully diluted earnings per common share:		
Continuing operations	\$.33	\$.11
Discontinued operations	-	(.02)
Net income	\$.33	\$.09
Cash dividends per common share	\$.07	\$.14

The accompanying notes are an integral part of the financial statements.

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THE TJX COMPANIES, INC. AND CONSOLIDATED SUBSIDIARIES
BALANCE SHEETS
(UNAUDITED)
IN THOUSANDS

	April 27, 1996	January 27, 1996	April 29, 1995
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 191,413	\$ 209,226	\$ 21,159
Accounts receivable	140,938	98,409	83,053
Merchandise inventories	1,372,031	1,343,852	1,010,991
Prepaid expenses	32,550	35,235	40,943
Net current assets of discontinued operations	-	-	10,811
Total current assets	1,736,932	1,686,722	1,166,957
Property, at cost:			
Land and buildings	141,192	141,009	114,810
Leasehold costs and improvements	436,106	429,715	262,915
Furniture, fixtures and equipment	588,079	580,959	394,254
	1,165,377	1,151,683	771,979
Less accumulated depreciation and amortization	393,339	366,191	313,201
	772,038	785,492	458,778
Other assets	35,904	37,325	13,952
Goodwill and tradename, net of amortization	234,486	236,043	89,309
Net noncurrent assets of discontinued operations	-	-	34,943
TOTAL ASSETS	\$2,779,360	\$2,745,582	\$1,763,939
LIABILITIES			
Current liabilities:			
Short-term debt	\$ 2,195	\$ -	\$ 168,365
Current installments of long-term debt	88,728	78,670	31,364
Accounts payable	498,543	473,523	427,961
Accrued expenses and other current liabilities	698,695	702,132	260,390
Federal and state income taxes payable	8,911	23,246	134
Total current liabilities	1,297,072	1,277,571	888,214
Long-term debt exclusive of current installments	679,676	690,713	238,497
Deferred income taxes	17,071	12,664	34,498

SHAREHOLDERS' EQUITY			
Preferred stock at face value, authorized 5,000,000 shares, par value \$1, issued and outstanding cumulative convertible stock of:			
250,000 shares of 8% Series A	25,000	25,000	25,000
1,650,000 shares of 6.25% Series C	82,500	82,500	82,500
250,000 shares of 1.81% Series D	25,000	25,000	-
1,500,000 shares of 7% Series E	150,000	150,000	-
Common stock, authorized 150,000,000 shares, par value \$1, issued and outstanding 72,554,759, 72,485,776 and 72,401,076 shares	72,554	72,486	72,401
Additional paid-in capital	269,518	269,159	267,575
Retained earnings	160,969	140,489	155,254
Total shareholders' equity	785,541	764,634	602,730
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$2,779,360	\$2,745,582	\$1,763,939

The accompanying notes are an integral part of the financial statements.

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THE TJX COMPANIES, INC. AND CONSOLIDATED SUBSIDIARIES
STATEMENTS OF CASH FLOWS
(UNAUDITED)
IN THOUSANDS

	Thirteen Weeks Ended	
	April 27, 1996	April 28, 1995
Cash flows from operating activities:		
Net income	\$ 30,086	\$ 8,065
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	32,107	18,555
Loss from discontinued operations	-	1,445
Loss on property disposals	1,096	152
Other	(438)	(485)
Changes in assets and liabilities:		
(Increase) in accounts receivable	(42,529)	(41,304)

(Increase) in merchandise inventories	(28,179)	(120,398)
(Increase) decrease in prepaid expenses	2,685	(18,062)
Increase in accounts payable	25,020	12,100
Increase (decrease) in accrued expenses and other current liabilities	(3,437)	7,966
Increase (decrease) in income taxes payable	(14,335)	134
Increase in deferred income taxes	4,407	975
Net cash provided by (used in) operating activities	6,483	(130,857)
Cash flows from investing activities:		
Property additions	(16,905)	(26,615)
Net cash (used in) investing activities	(16,905)	(26,615)
Cash flows from financing activities:		
Proceeds from borrowings of short-term debt	2,195	148,365
Principal payments on long-term debt	(983)	(923)
Proceeds from sale and issuance of common stock, net	1,003	23
Cash dividends	(9,606)	(11,925)
Net cash provided by (used in) financing activities	(7,391)	135,540
Net cash (used in) continuing operations	(17,813)	(21,932)
Net cash provided by discontinued operations	-	1,522
Net (decrease) in cash and cash equivalents	(17,813)	(20,410)
Cash and cash equivalents at beginning of year	209,226	41,569
Cash and cash equivalents at end of period	\$ 191,413	\$ 21,159

The accompanying notes are an integral part of the financial statements.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS
OF OPERATIONS AND FINANCIAL CONDITION

Thirteen Weeks Ended April 27, 1996
Versus Thirteen Weeks Ended April 29, 1995

On November 17, 1995, the Company acquired the Marshalls off-price family apparel chain from Melville Corporation. Under the purchase method of accounting, the assets and liabilities and results of operations associated with the acquired business are included in the Company's financial position and results of operations from the date of acquisition.

Net sales from continuing operations for the first quarter were \$1,604.2 million, up 93% from \$830.4 million last year. The increase in sales is primarily attributable to the acquisition of Marshalls. Same store sales increased by 5% at T.J. Maxx, 4% at Winners, 7% at Marshalls and 5% at HomeGoods. Chadwick's experienced a 13% increase in net sales.

Income from continuing operations was \$30.1 million, or \$.33 per common share, versus \$9.5 million or \$.11 per common share, last year. Net income for the period ended April 29, 1995, after reflecting Hit or Miss as a discontinued operation, was \$8.1 million or \$.09 per common share.

The following table sets forth operating results expressed as a percentage of net sales (continuing operations):

	Percentage of Net Sales	
	13 Weeks Ended	
	4/27/96	4/29/95
Net sales	100.0%	100.0%
Cost of sales, including buying and occupancy costs	77.3	76.4
Selling, general and administrative expenses	18.5	20.5
Interest expense, net	1.0	1.0
Income from continuing operations before income taxes	3.2%	2.1%

Cost of sales including buying and occupancy costs as a percent of net sales increased from the prior year. This increase is the result of Chadwick's smaller pro rata share of consolidated results, due to the Marshalls acquisition, as Chadwick's operates with a lower cost of sales ratio than the Company's store operations.

Selling, general and administrative expenses, as a percentage of net sales, decreased from the prior year. This improvement is primarily the result of a decrease in Chadwick's pro rata share of consolidated results, due to the Marshalls acquisition, as Chadwick's operates at a higher selling, general and administrative expense ratio than the Company's store operations.

The increase in interest expense for the quarter ended April 1996 versus April 1995 is due to interest on the \$200 million of notes issued in June 1995 and on the \$375 million term loan incurred for the acquisition of Marshalls.

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The decrease in the effective income tax rate reflects the tax benefits on foreign operating losses realizable due to a corporate restructuring of certain foreign subsidiaries that took place in the second half of fiscal 1996.

The following table sets forth the operating results of the Company's major business segments: (unaudited)

	(In Thousands)	
	Thirteen Weeks Ended April 27, 1996	April 29, 1995
Net sales:		
Off-price family apparel stores	\$1,452,864	\$ 700,714
Off-price catalog operation	131,996	116,611
Off-price home fashion stores	19,383	13,105
	\$1,604,243	\$ 830,430
Operating income (loss):		
Off-price family apparel stores	\$ 67,057	\$ 32,911
Off-price catalog operation	12,931	5,261
Off-price home fashion stores	(2,570)	(1,529)
	77,418	36,643
General corporate expense (1)	10,213	10,193
Goodwill amortization	653	653
Interest expense, net	15,105	8,499
Income from continuing operations before income taxes	\$ 51,447	\$ 17,298

(1) General corporate expense for the thirteen weeks ended April 27, 1996 includes the net operating results of T.K. Maxx. General Corporate expense for the thirteen weeks ended April 29, 1995 includes the net operating results of T.K. Maxx and the Cosmopolitan catalog.

The off-price family apparel stores segment, T.J. Maxx, Marshalls, and Winners more than doubled its operating profit primarily due to the benefits of the Marshalls acquisition. This segment's operating results reflect its strong sales performance along with tight inventory control. Chadwick's recorded an increase in operating income due to a strong response to the spring catalog and its improved ability to meet customer demand in the first quarter of this year versus last year's first quarter.

Stores in operation at the end of the period are as follows:

	April 27, 1996	April 29, 1995
T.J. Maxx	590	558
Marshalls	494	-
Winners	57	39
HomeGoods	23	19
T.K. Maxx	9	6

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Financial Condition

Cash flows from operating and financing activities for the three months reflect increases in inventories and accounts payable, which are primarily due to normal seasonal requirements. The improvement in cash provided by operating activities in the first quarter ended April 1996 versus April 1995 reflects stronger sales and tight inventory controls. The decrease in short term borrowings from last year is a result of the strong cash

position at the end of fiscal 1996 which reflected the benefits from the timing of the Marshalls acquisition and the resulting favorable cash flow of the holiday selling season.

On May 24, 1996, Chadwick's of Boston, Ltd. ("Chadwick's"), a wholly-owned subsidiary of the Company, filed a registration statement with the Securities and Exchange Commission pursuant to which the Company intends to sell to the public 9,260,000 shares of common stock of Chadwick's (approximately 61% of its outstanding common stock). An additional 1,389,000 shares of Chadwick's common stock owned by the Company (approximately 9% of the outstanding common stock) would be subject to an over-allotment option granted to the underwriters. The registration statement reflects an anticipated initial public offering price of between \$14.00 and \$16.00 per share. The Company intends to use the proceeds from the stock sale to pay down a large portion of the bank financing taken on to acquire Marshalls. The Company is required to redeem the outstanding Series D preferred stock with proceeds from the stock sale but it anticipates the holders of the Series D will convert their preferred stock into common stock upon a call for redemption.

There can be no assurance that the offering reflected in the Registration Statement will be made or consummated or, if the offering is consummated, that the amount of shares sold or the initial public offering price per share will be as reflected in the Registration Statement.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. The results for the first three months are not necessarily indicative of results for the full fiscal year, because the Company's business, in common with the businesses of retailers generally, is subject to seasonal influences, with higher levels of sales and income generally realized in the second half of the year.
2. The preceding data are unaudited and reflect all normal recurring adjustments, the use of retail statistics, and accruals and deferrals among periods required to match costs properly with the related revenue or activity, considered necessary by the Company for a fair presentation of its financial statements for the periods reported, all in accordance with generally accepted accounting principles and practices consistently applied.
3. The Company's cash payments for interest expense and income taxes are as follows: (in thousands)

	Thirteen Weeks Ended	
	April 27, 1996	April 29, 1995
Cash paid for:		
Interest on debt and capital leases	\$ 6,967	\$ 3,971
Income taxes	31,507	3,518
4. Effective September 30, 1995, the Company sold its Hit or Miss division to members of Hit or Miss management and outside investors and, thus, Hit or Miss' operating results for all prior periods have been reclassified to discontinued operations.
5. On November 17, 1995, the Company completed its acquisition of the Marshalls off-price family apparel chain from Melville Corporation. The purchase price (before expenses) for the acquisition was \$599.3 million, consisting of \$375 million in cash, before closing adjustments, plus an additional \$49.3 million (paid on April 30, 1996) based on the final closing balance sheet, plus \$175 million in TJX convertible preferred stock. The purchase has been accounted for under the purchase method of accounting.

As a result of the acquisition, the Company intends to close a total of 170 Marshalls stores and 30 T.J. Maxx stores, in operation at the date of acquisition. The Company established a \$244.1 million reserve in the allocation of the purchase price of Marshalls, primarily relating to the Marshalls store closings, and recorded a pre-tax charge of \$35 million relating to the T.J. Maxx store closings. The Company's total store closing and restructuring reserve as of April 27, 1996 totalled \$237.9 million.

In connection with the purchase of Marshalls, the Company entered into an \$875 million credit facility with a group of banks. The credit facility consists of a \$375 million term loan used for the cash portion of the purchase price, and a \$500 million revolving credit facility to meet the Company's ongoing working capital needs.

6. In October 1988, the Company completed the sale of its former Zayre stores division to Ames Department Stores, Inc. ("Ames"). On April 25, 1990, Ames filed for protection under Chapter 11 of the Federal Bankruptcy Code and on December 30, 1992, Ames emerged from bankruptcy under a plan of reorganization. The Company is liable for certain amounts to be distributed under the plan for certain unassigned landlord claims under certain former Zayre store leases on which Zayre Corp. was liable as of the date of acquisition and which Ames has rejected.

The Company remains contingently liable for the leases of most of the former Zayre stores still operated by Ames. In addition, the Company is contingently liable on a number of leases of Waban Inc., a division spun-off in fiscal 1990, and of the Hit or Miss division, the Company's former off-price women's specialty stores, sold on September 30, 1995. The Company believes that in view of the nature of the leases and the fact that Ames, Waban and Hit or Miss are primarily liable, the Company's contingent liability on these leases will not have a material effect on the Company's financial condition. Accordingly, the Company believes its available reserves of \$22.9 million as of April 27, 1996 should be adequate to cover all reasonably expected liabilities associated with discontinued operations that it may incur.

7. On May 24, 1996, Chadwick's of Boston, Ltd. ("Chadwick's"), a wholly-owned subsidiary of the Company, filed a registration statement pursuant to which the Company intends to sell to the public 9,260,000 shares of common stock of Chadwick's (approximately 61% of its outstanding common stock). An additional 1,389,000 shares of Chadwick's common stock owned by the Company (approximately 9% of the outstanding common stock) would be subject to an over-allotment option granted to the underwriters. The registration statement reflects an anticipated initial public offering price of between \$14.00 and \$16.00 per share. The Company intends to use the proceeds from the stock sale to pay down a large portion of the bank financing taken on to acquire Marshalls. The Company is required to redeem the outstanding Series D preferred stock with proceeds from the stock sale but it anticipates the holders of the Series D will convert their preferred stock into common stock upon a call for redemption.

PART II. Other Information

Item 4 Submission of Matters to a Vote of Security Holders

The Company held its Annual Meeting of Stockholders on June 4, 1996. The following were voted upon at the Annual Meeting:

Election of Directors	For	Withheld
Phyllis B. Davis	62,676,593	211,245
Dennis F. Hightower	62,671,418	216,420
John F. O'Brien	62,671,585	216,253
Willow B. Shire	62,668,782	219,056

In addition to those elected, the following are directors whose term of office continued after the Annual Meeting:

Bernard Cammarata
Richard G. Lesser
Arthur F. Loewy
John M. Nelson
Robert F. Shapiro
Burton S. Stern
Fletcher H. Wiley

Item 6(a) Exhibits

- 11 Statement re Computation of Per Share Earnings

Item 6(b) Reports on Form 8-K

The Company was not required to file a current report on Form 8-K during the quarter ended April 27, 1996.

On June 5, 1996, the Company filed a current report on Form 8-K dated May 24, 1996 relating to the filing of a Registration

Statement by Chadwick's of Boston, Ltd., a subsidiary of the Company, and the Company's intention to sell a majority interest in its Chadwick's division. The Company filed unaudited pro forma financial statements for the fiscal year ended January 27, 1996 with the Form 8-K. Attached to this report are unaudited pro forma financial statements for the quarter ended April 27, 1996 giving effect to the offering reflected in the Registration Statement.

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SIGNATURE

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.

THE TJX COMPANIES, INC.
(Registrant)

Date: June 11, 1996

/s/ Donald G. Campbell
Donald G. Campbell, Executive Vice
President - Finance, on behalf
of The TJX Companies, Inc. and as
Principal Financial and Accounting
Officer of The TJX Companies, Inc.

THE TJX COMPANIES, INC.
PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

On May 24, 1996, Chadwick's of Boston, Ltd. ("Chadwick's"), a holding company formed to own the off-price catalog operation of The TJX Companies, Inc. (the "Company"), filed a Registration Statement with the Securities and Exchange Commission pursuant to which the Company intends to sell to the public 9,260,000 shares of common stock of Chadwick's. An additional 1,389,000 shares of common stock are subject to an over-allotment option granted to the underwriters. After the offering, the Company will own approximately 30%-39% (depending on the amount of the underwriters' over-allotment option exercised) of the outstanding shares of common stock of Chadwick's. It is currently anticipated that the

initial offering price will be between \$14.00 and \$16.00 per share.

The pro forma condensed consolidated financial statements of the Company assume that the offering takes place at a price of \$15.00 per share and that no underwriters' over-allotment option is exercised. The pro forma condensed consolidated balance sheet as of April 27, 1996 assumes the sale of 61% of the Company's investment in Chadwick's on that date and is based on the unaudited historical balance sheet of the Company as of April 27, 1996. The pro forma adjustments eliminate the assets and liabilities of Chadwick's included in the consolidated results of the Company, record a gain on the sale of the Company's 61% interest in Chadwick's, record the Company's remaining equity investment in Chadwick's, assume conversion of the Company's Series D preferred stock into common stock pursuant to a call for redemption and assume the net proceeds from the offering along with Chadwick's repayment of intercompany indebtedness are used to repay outstanding debt incurred to acquire Marshalls.

The pro forma condensed consolidated statement of income for the quarter ended April 27, 1996 is based on the unaudited historical statement of income of the Company filed with the Form 10-Q. The pro forma adjustments eliminate the operating results for Chadwick's included in the Company's consolidated results, record 39% of Chadwick's net income and reflect a reduction in interest expense due to the repayment of debt. Pro forma adjustments to the statement of income reflect the impact of the transaction as if it occurred on January 28, 1996, the beginning of the most recent fiscal year.

These pro forma condensed consolidated financial statements have been prepared for information purposes only and do not purport to indicate what necessarily would have occurred had the public offering taken place on the dates indicated or what results may be in the future. The accompanying pro forma condensed consolidated financial statements should be read in conjunction with the historical financial statements of the Company and the Form S-1 Registration Statement filed by Chadwick's of Boston, Ltd.

THE TJX COMPANIES, INC.
PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
FOR FIRST QUARTER ENDED APRIL 27, 1996
(UNAUDITED)
(IN THOUSANDS)

	BALANCE AS REPORTED	PRO FORMA ADJUSTMENTS		PRO FORMA BALANCE
Assets				
Current assets:				
Cash and cash equivalents	\$ 191,413	\$ { 40,277 (1b)	\$	201,390
		{ 125,700 (1c)		
		{(156,000) (1e)		
Accounts receivable	140,938	(65,544) (1a)		75,394
Merchandise inventories	1,372,031	(71,775) (1a)		1,300,256
Prepaid expenses	32,550	(13,674) (1a)		18,876
Total current assets	1,736,932			1,595,916
Property, net	772,038	(51,119) (1a)		720,919
Investment in Chadwick's of Boston, Ltd.	-	{ 126,865 (1a)		33,769
		{ (40,277) (1b)		
		{ (52,819) (1c)		
Other assets	35,904			35,904
Goodwill and tradename, net of amortization	234,486			234,486
Total Assets	\$2,779,360			\$2,620,994
Liabilities				
Current liabilities:				
Short-term debt	\$ 2,195			\$ 2,195
Current installments of long-term debt	88,728	(25,000) (1e)		63,728
Accounts payable	498,543	(34,005) (1a)		464,538
Accrued expenses and other				

current liabilities	707,606	(39,287) (1a)	678,319
		10,000 (1c)	
Total current liabilities	1,297,072		1,208,780
Long-term debt, exclusive of current installments	679,676	(131,000) (1e)	548,676
Deferred income taxes	17,071	(1,955) (1a)	15,116
Shareholders' Equity			
Preferred stock at face value	282,500	(25,000) (1d)	257,500
Common stock	72,554	1,349 (1d)	73,903
Additional paid-in capital	269,518	23,651 (1d)	293,169
Retained earnings	160,969	62,881 (1c)	223,850
Total shareholders' equity	785,541		848,422
Total Liabilities and Shareholders' Equity	\$2,779,360		\$2,620,994

The accompanying notes are an integral part of the unaudited pro forma condensed consolidated balance sheet.

THE TJX COMPANIES, INC.
PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE FIRST QUARTER ENDED APRIL 27, 1996
(UNAUDITED)

	BALANCE AS REPORTED In Thousands	PRO FORMA ADJUSTMENTS Except Per Share	PRO FORMA BALANCE Amounts
Net sales	\$1,604,243	\$(131,996) (2a)	\$1,472,247
Cost of sales, including buying and occupancy costs	1,240,659	(73,300) (2a)	1,167,359
Selling, general and administrative expenses	297,032	(45,881) (2a)	251,151
Store closing costs			
Interest on debt, net	15,105	{ (530) (2a) {(2,588) (2b)	11,987
Income from continuing operations before income taxes	51,447		41,750
Provision for income taxes	21,361	{(5,102) (2a) { 1,035 (2b)	17,294
	30,086		24,456
Equity in net income of Chadwick's	-	2,612 (2c)	2,612
Income from continuing operations	30,086		27,068
Preferred stock dividend adjustment	1,789		1,789
Income from continuing operations for earnings per share computations	\$ 28,297		\$ 25,279
Number of common shares for primary and fully diluted earnings per share computations	85,340,267		85,340,267
Income from continuing operations per common share	\$.33		\$.30

The accompanying notes are an integral part of the unaudited pro forma condensed consolidated statement of income.

THE TJX COMPANIES, INC.
NOTES TO PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
IN THOUSANDS

Note 1

The pro forma condensed consolidated balance sheet reflects the following adjustments:

- (a) To eliminate the assets and liabilities of Chadwick's included in the consolidated results of the Company and reflect the net assets of Chadwick's as investment in Chadwick's of Boston, Ltd.
- (b) To reflect payment to the Company by Chadwick's of the balance of its inter-company indebtedness, after a \$20 million forgiveness of debt via capital contribution by TJX.
- (c) To record net proceeds of \$125.7 million (based on \$15.00 per share) received from TJX's sale of 61% of its investment in Chadwick's, after the repayment of inter-company debt described above, and to record a gain of \$62.9 million, after estimated taxes of \$10 million, on this transaction as of January 27, 1996.
- (d) The Company is required to redeem its outstanding Series D preferred stock from the proceeds of certain asset sales. It is assumed the Company calls the Series D for redemption and that the holders of the Series D preferred stock elect their conversion rights and convert into common stock.
- (e) To record repayment of long-term debt (including current installments) of \$156.0 million. The net proceeds used to repay the debt include cash received from Chadwick's in repayment of its inter-company debt and the net proceeds from the stock offering, less taxes to be paid.

Note 2

The pro forma condensed consolidated statement of income reflects the following adjustments for the initial public offering of Chadwick's stock.

- (a) To eliminate the net sales, expenses and tax provision relating to Chadwick's operating results as included in the consolidated results of the Company.
- (b) To reflect a reduction in interest expense as a result of the repayment of a portion of the term loan incurred from the acquisition of Marshalls, along with the related impact on income tax provision.
- (c) To record 39% of the net earnings of Chadwick's as equity in the net earnings of minority owned subsidiary. Chadwick's net earnings for the first quarter ended April 27, 1996 were \$6.7 million.

COMPUTATION OF NET INCOME PER COMMON SHARE
(UNAUDITED)
DOLLARS IN THOUSANDS

	Thirteen Weeks Ended	
	April 27, 1996	April 29, 1995
The computation of net income available and adjusted shares outstanding follows:		
Net income	\$ 30,086	\$ 8,065
Less:		
Preferred stock dividends	(1,789)	(1,789)
Net income used for primary and fully diluted computation	\$ 28,297	\$ 6,276
Weighted average number of common shares outstanding	72,545,566	72,402,468
Add:		
Assumed exercise of those options that are common stock equivalents	1,053,810	59,386
Assumed exercise of convertible preferred stock	11,740,891	-
Adjusted shares outstanding, used for primary and fully diluted computation	85,340,267	72,461,854

This schedule contains summary financial information extracted from the statement income and balance sheets and is qualified in its entirety by reference to such financial statements.

3-MOS		
	JAN-25-1997	
	APR-27-1996	
		191,413,000
		0
		140,938,000
		0
		1,372,031,000
	1,736,932,000	
		1,165,377,000
		393,339,000
		2,779,360,000
	1,297,072,000	
		679,676,000
	175,000,000	
		107,500,000
		72,554,000
		430,487,000
785,541,000		
		1,604,243,000
	1,604,243,000	
		1,240,659,000
		1,240,659,000
		297,032,000
		0
		15,105,000
		51,447,000
		21,361,000
	30,086,000	
		0
		0
		0
		30,086,000
		0.33
		0.33