SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended August 2, 1997

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________ to _____________

Commission file number 1-8344

THE LIMITED, INC.

(Exact name of registrant as specified in its charter)

Delaware	31-1029810
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Three Limited Parkway, P.O. Box 16000, Columbus, OH 43216

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (614) 415-7000

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 ___

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, $.50 Par Value	Outstanding at August 29, 1997
	271,905,619 Shares

THE LIMITED, INC.

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PART 1 - FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

THE LIMITED, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Thousands except per share amounts)
(Unaudited)

	Thirteen Weeks Ended		Twenty-six Weeks Ended	
	August 2, 1997	August 3, 1996	August 2, 1997	August 3, 1996
NET SALES	$ 2,020,084	$ 1,895,601	$ 3,849,864	$ 3,683,544
Cost of Goods Sold, Occupancy and Buying Costs	1,481,177	1,403,692	2,809,486	2,722,094
GROSS INCOME	538,907	491,909	1,040,378	961,450
General, Administrative and Store Operating Expenses	466,247	410,367	918,094	826,072
OPERATING INCOME	72,660	81,542	122,284	135,378
Interest Expense	(16,272)	(18,734)	(32,819)	(35,281)
Other Income	6,818	6,512	15,655	23,654
Minority Interest	(10,632)	(8,170)	(16,279)	(12,449)
Gain in Connection with Initial Public Offering of Equity Investee	--	--	8,606	--
INCOME BEFORE INCOME TAXES	52,574	61,150	97,447	111,302
Provision for Income Taxes	25,000	28,000	45,000	50,000
NET INCOME	$ 27,574	$ 33,150	$ 52,447	$ 61,302
NET INCOME PER SHARE	$ .10	$ .12	$ .19	$ .21
DIVIDENDS PER SHARE	$ .12	$ .10	$ .24	$ .20
WEIGHTED AVERAGE SHARES OUTSTANDING	273,214	272,077	272,846	291,284

The accompanying notes are an integral part of these consolidated financial statements.

THE LIMITED, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Thousands)

ASSETS	August 2, 1997 (unaudited)	February 1, 1997
CURRENT ASSETS:		
Cash and Equivalents	$ 22,467	$ 312,796
Accounts Receivable	91,545	69,337
Inventories	1,155,665	1,007,303
Store Supplies	92,578	90,400
Other	89,995	65,261
TOTAL CURRENT ASSETS	1,452,250	1,545,097
PROPERTY AND EQUIPMENT, NET	1,853,267	1,828,869
RESTRICTED CASH	351,600	351,600
OTHER ASSETS	414,375	394,436
TOTAL ASSETS	$ 4,071,492	$ 4,120,002

LIABILITIES AND SHAREHOLDERS' EQUITY	August 2, 1997	February 1, 1997
CURRENT LIABILITIES:		
Accounts Payable	$ 353,933	$ 307,841
Accrued Expenses	446,006	481,744
Commercial Paper	116,121	--
Income Taxes Payable	2,943	117,308
TOTAL CURRENT LIABILITIES	919,003	906,893
LONG-TERM DEBT	650,000	650,000
DEFERRED INCOME TAXES	106,755	169,932
OTHER LONG-TERM LIABILITIES	52,378	51,659
MINORITY INTEREST	71,795	67,336
CONTINGENT STOCK REDEMPTION AGREEMENT	351,600	351,600
SHAREHOLDERS' EQUITY:		
Common Stock	180,352	180,352
Paid-in Capital	143,995	142,860
Retained Earnings	3,513,585	3,526,256
	3,837,932	3,849,468
Less Treasury Stock, at Average Cost	(1,917,971)	(1,926,886)
TOTAL SHAREHOLDERS' EQUITY	1,919,961	1,922,582
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 4,071,492	$ 4,120,002

The accompanying notes are an integral part of these consolidated financial statements.

THE LIMITED, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Thousands)
(Unaudited)

	Twenty-six Weeks Ended	
	August 2, 1997	August 3, 1996
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$52,447	$61,302
Impact of Other Operating Activities on Cash Flows:		
Net Gain in Connection with Initial Public Offering of Equity Investee	(5,606)	--
Depreciation and Amortization	149,657	144,346
Minority Interest, Net of Dividends Paid	4,459	1,369
Changes in Assets and Liabilities:		
Accounts Receivable	(22,208)	(18,766)
Inventories	(148,362)	(157,107)
Accounts Payable and Accrued Expenses	10,354	74,566
Income Taxes	(180,542)	(124,856)
Other Assets and Liabilities	894	(12,544)
NET CASH USED FOR OPERATING ACTIVITIES	(138,907)	(31,690)
CASH USED FOR INVESTING ACTIVITIES		
Capital Expenditures	(212,475)	(191,006)
FINANCING ACTIVITIES:		
Net Proceeds from Commercial Paper and Other Short-term Borrowings	116,121	266,982
Dividends Paid	(65,118)	(54,160)
Purchase of Treasury Stock	--	(1,615,130)
Stock Options and Other	10,050	12,323
NET CASH PROVIDED FROM (USED FOR) FINANCING ACTIVITIES	61,053	(1,389,985)
NET DECREASE IN CASH AND EQUIVALENTS	(290,329)	(1,612,681)
Cash and Equivalents, Beginning of Year	312,796	1,645,731
CASH AND EQUIVALENTS, END OF PERIOD	$22,467	$33,050

The accompanying notes are an integral part of these consolidated financial statements.

THE LIMITED, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. BASIS OF PRESENTATION

The consolidated financial statements include the accounts of The Limited, Inc. (the "Company") and all significant subsidiaries which are more than 50 percent owned and controlled. All significant intercompany balances and transactions have been eliminated in consolidation.

Investments in other entities (including joint ventures) which are more than 20 percent owned are accounted for on the equity method.

The consolidated financial statements as of August 2, 1997 and for the thirteen and twenty-six week periods ended August 2, 1997 and August 3, 1996 are unaudited and are presented pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, these statements should be read in conjunction with the consolidated financial statements and notes thereto contained in the Company's 1996 Annual Report on Form 10-K. In the opinion of management, the accompanying consolidated financial statements reflect all adjustments (which are of a normal recurring nature) necessary to present fairly the financial position and results of operations and cash flows for the interim periods, but are not necessarily indicative of the results of operations for a full fiscal year.

The consolidated financial statements as of August 2, 1997 and for the thirteen and twenty-six week periods ended August 2, 1997 and August 3, 1996 included herein have been reviewed by the independent public accounting firm of Coopers & Lybrand L.L.P. and the report of such firm follows the notes to consolidated financial statements.

2. ADOPTION OF ACCOUNTING STANDARD

In February 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 128, "Earnings Per Share." The Company will adopt the computation, presentation and disclosure requirements for earnings per share in the fourth quarter of 1997, the effect of which will not be material to the Company's consolidated financial statements.

3. INVENTORIES

The fiscal year of the Company and its subsidiaries is comprised of two principal selling seasons: Spring (the first and second quarters) and Fall (the third and fourth quarters). Valuation of finished goods inventories is based principally upon the lower of average cost or market determined on a first-in, first-out basis utilizing the retail method. Inventory valuation at the end of the first and third quarters reflects adjustments for inventory markdowns and shrinkage estimates for the total selling season.

4. PROPERTY AND EQUIPMENT, NET

Property and equipment, net, consisted of (thousands):

	August 2, 1997	February 1, 1997
Property and equipment, at cost	$3,412,807	$3,290,244
Accumulated depreciation and amortization	(1,559,540)	(1,461,375)
Property and equipment, net	$1,853,267	$1,828,869

5. INCOME TAXES

The provision for income taxes is based on the current estimate of the annual effective tax rate. Income taxes paid during the twenty-six weeks ended August 2, 1997 and August 3, 1996 approximated $183 million and $142 million.

The Internal Revenue Service has assessed the Company for additional taxes and interest for years 1989 - 1992. The outstanding issue from the assessment is based primarily on the treatment of transactions involving the Company's foreign operations. The Company strongly disagrees with the assessment and is vigorously contesting the matter. Management believes resolution of this matter will not have a material adverse effect on the Company's results of operations or financial condition.

6. FINANCING ARRANGEMENTS

Unsecured long-term debt consisted of (thousands):

	August 2, 1997	February 1, 1997
7 1/2% Debentures due March 2023	$250,000	$250,000
7 4/5% Notes due May 2002	150,000	150,000
9 1/8% Notes due February 2001	150,000	150,000
8 7/8% Notes due August 1999	100,000	100,000
	$650,000	$650,000

The Company maintains a $1 billion unsecured revolving credit agreement (the "Agreement"). Borrowings outstanding under the Agreement are due December 14, 2000. However, the revolving term of the Agreement may be extended an additional two years upon notification by the Company on the second and fourth anniversaries of the effective date (December 15, 1995), subject to the approval of the lending banks. The Agreement has several borrowing options, including interest rates which are based on either the lender's "Base Rate", as defined, LIBOR, CD based options or at a rate submitted under a bidding process. Facilities fees payable under the Agreement are based on the Company's long-term credit ratings, and currently approximate 1/8% of the committed amount per annum. The Agreement contains covenants relating to the Company's working capital, debt and net worth. No amounts were outstanding under the Agreement at August 2, 1997.

The Agreement supports the Company's commercial paper program which is used from time to time to fund working capital and other general corporate requirements. Commercial paper outstanding at August 2, 1997 was $116.1 million.

Up to $250 million of debt securities and warrants to purchase debt securities may be issued under the Company's shelf registration statement.

Interest paid during the twenty-six weeks ended August 2, 1997 and August 3, 1996 approximated $40.1 million and $34.6 million.

7. SELF-TENDER OFFER

On March 17, 1996, the Company completed the repurchase for $1.615 billion or $19 per share of 85 million shares of its common stock under a self-tender offer.

8. GAIN IN CONNECTION WITH INITIAL PUBLIC OFFERING OF EQUITY INVESTEE

During the first quarter of 1997, the Company recognized a pre-tax gain of $8.6 million in connection with the initial public offering ("IPO") of Brylane, Inc., a 26% owned (post IPO) specialty catalogue retailer.

[LETTERHEAD OF COOPERS & LYBRAND APPEARS HERE]

REPORT OF INDEPENDENT ACCOUNTANTS

To the Audit Committee of
The Board of Directors of
The Limited, Inc.

We have reviewed the condensed consolidated balance sheet of The Limited, Inc. and Subsidiaries at August 2, 1997, and the related condensed consolidated statements of income and cash flows for the thirteen-week and twenty-six-week periods ended August 2, 1997 and August 3, 1996. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet as of February 1, 1997, and the related consolidated statements of income, shareholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated February 24, 1997, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of February 1, 1997, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ Coopers & Lybrand L.L.P.
COOPERS & LYBRAND L.L.P.

Columbus, Ohio
September 10, 1997

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

RESULTS OF OPERATIONS

During the first quarter of 1996, the Company repurchased 85 million of its common shares via a self-tender consummated effective March 17, 1996. Accordingly, to aid in the analysis of the twenty-six weeks ended August 2, 1997 as compared to 1996, certain proforma adjustments, including the tax impact, have been made to the 1996 results as follows: 1) weighted average shares outstanding have been reduced to reflect the 85 million share repurchase as if it occurred at the beginning of 1996; and 2) the 1996 year-to-date income statement has been adjusted to remove $10.5 million in interest income earned on the temporary investment of the proceeds from the Intimate Brands, Inc. ("IBI") and WFNNB Fall 1995 transactions that were used to consummate the self-tender. The adjusted proforma summary income information is presented below.

	Thirteen Weeks Ended		Twenty-six Weeks Ended		
	August 2, 1997	August 3, 1996	August 2, 1997	Adjusted Proforma August 3, 1996	
Operating Income	$72,660	$81,542	$122,284	$135,378	
Interest Expense	(16,272)	(18,734)	(32,819)	(35,281)	
Other Income	6,818	6,512	15,655	13,154	(a)
Minority Interest	(10,632)	(8,170)	(16,279)	(12,449)	
Gain in Connection with IPO of Equity Investee	-	-	8,606	-	
Income before Income Taxes	52,574	61,150	97,447	100,802	
Provision for Income Taxes	25,000	28,000	45,000	46,000	(b)
Net Income	$27,574	$33,150	$52,447	$54,802	
Net Income per Share	$.10	$.12	$.19	$.20	
Net Income per Share Exclusive of Gain in Connection with IPO	$.10	$.12	$.17	$.20	
Weighted Average Shares Outstanding	273,214	272,077	272,846	271,669	(c)

(a) Reduced 1996 interest income by $10.5 million derived from the temporary investment of the proceeds from the IBI and WFNNB Fall 1995 transactions that were used to consummate the self-tender.

(b) Adjusted taxes for effect of $10.5 million proforma adjustment to interest income.

(c) Adjusted net income per share and weighted average shares outstanding for the impact of the self-tender for 85 million shares effective March 17, 1996 as if it were consummated at the beginning of 1996.

Net sales for the second quarter of 1997 grew 7% to $2.020 billion from $1.896 billion a year ago. Operating income decreased 11% to $72.7 million compared to operating income of $81.5 million for 1996. Net income decreased 17% for the quarter in 1997 to $27.6 million compared to net income of $33.2 million for 1996.

Sales for the twenty-six weeks ended August 2, 1997 increased 5% to $3.850 billion compared to $3.684 billion in 1996. Excluding the gain in connection with the IPO of Brylane (see Note 8) net income decreased 15% to $46.8 million from proforma 1996 net income of $54.8 million (earnings per share were $.17 compared to 1996 proforma earnings per share of $.20).

Business highlights include the following:

The Intimate Brands businesses continued their solid performance during the second quarter recording a 15% comparable store sales increase and a 24% operating income increase.

Victoria's Secret Stores had a very successful semi-annual sale in June. Overall for the quarter, the business recorded comparable store sales increases of 15% and a margin improvement, resulting in an operating income increase of 29%.

Bath & Body Works achieved a 58% sales gain and a 43% increase in operating profits. To date, the business has benefited from continued product introductions, a growing gift business and 241 new stores as compared to last year.

Victoria's Secret Catalogue steadily gained momentum throughout the first half of the year, achieving record sales and profits. Year-to-date, operating income increased 39%, due to a 10% sales increase and a 2.5% decline in catalogue and related costs, as a percentage of sales, primarily from lower paper costs.

The Women's businesses in total continued to underperform in the second quarter, principally due to the Express business, which experienced a 24% decrease in comparable store sales. Overall, the Women's businesses reported an 11% decrease in comparable store sales in the second quarter.

Limited Too had a significant improvement in sales momentum with a 25% comparable store sales gain in the second quarter.

Abercrombie & Fitch Co. reported a 150% increase in second quarter operating income supported by a 15% comparable store sales increase.

Financial Summary

The following summarized financial and statistical data compares the thirteen week and twenty-six week periods ended August 2, 1997 to the comparable 1996 periods:

	Second Quarter 1997	Second Quarter 1996	Second Quarter Change From Prior Year	Year - to - Date 1997	Year - to - Date 1996	Year - to - Date Change From Prior Year
Net Sales (millions):						
Victoria's Secret Stores	$389	$319	22%	$714	$605	18%
Victoria's Secret Catalogue	196	176	12%	376	343	10%
Bath & Body Works	212	134	58%	389	245	59%
Cacique	22	21	5%	42	40	5%
Other	8	3	167%	10	6	67%
Total Intimate Brands, Inc.	$827	$653	27%	$1,531	$1,239	24%
Express	$246	$317	(22%)	$470	$632	(26%)
Lerner	203	225	(10%)	397	446	(11%)
Lane Bryant	217	207	5%	421	426	(1%)
Limited Stores	175	205	(15%)	355	393	(10%)
Henri Bendel	17	18	(6%)	43	40	8%
Total Women's Businesses	$858	$972	(12%)	$1,686	$1,937	(13%)
Structure	$152	$146	4%	$279	$269	4%
The Limited Too	61	48	27%	127	93	37%
Galyan's	35	20	75%	66	37	78%
Total Emerging Businesses	$248	$214	16%	$472	$399	18%
Abercrombie & Fitch	$87	$57	53%	$161	$109	48%
Total Net Sales	$2,020	$1,896	7%	$3,850	$3,684	5%
Operating Income (millions):						
Intimate Brands, Inc.	$107	$87	23%	$168	$136	24%
Women's Businesses	(69)	(19)	(263%)	(96)	(15)	(540%)
Emerging Businesses	30	12	150%	43	13	231%
Abercrombie & Fitch	5	2	150%	7	1	600%
Total Operating Income	$73	$82	(11%)	$122	$135	(10%)

	Second Quarter			Year - to - Date		
	1997	1996	Change From Prior Year	1997	1996	Change From Prior Year
Increase (decrease) in comparable store sales:						
Victoria's Secret Stores	15%	3%		11%	5%	
Bath & Body Works	16%	11%		15%	12%	
Cacique	11%	11%		8%	15%	
Total Intimate Brands, Inc.	15%	5%		12%	7%	
Express	(24%)	(2%)		(27%)	(2%)	
Lerner	(5%)	3%		(6%)	2%	
Lane Bryant	5%	(2%)		(1%)	1%	
Limited Stores	(12%)	9%		(7%)	8%	
Henri Bendel	(12%)	(8%)		(4%)	0%	
Total Women's Businesses	(11%)	1%		(12%)	2%	
Structure	1%	7%		0%	7%	
The Limited Too	25%	(7%)		30%	(12%)	
Galyan's	2%	7%	*	3%	7%	*
Total Emerging Businesses	6%	6%		7%	5%	
Abercrombie & Fitch	15%	16%		14%	16%	
Total comparable store sales increase (decrease)	0%	3%		(2%)	4%	
Retail sales increase attributable to new and remodeled stores	7%	8%		7%	8%	
Retail sales per average selling square foot	$64	$62	3%	$122	$121	1%
Retail sales per average store (thousands)	$322	$318	1%	$614	$621	(1%)
Average store size at end of quarter (selling square feet)	5,004	5,098	(2%)			
Retail selling square feet at end of quarter (thousands)	28,474	27,804	2%			
Number of Stores:						
Beginning of period	5,629	5,352		5,633	5,298	
Opened	80	128		151	208	
Closed	(19)	(26)		(94)	(52)	
End of period	5,690	5,454		5,690	5,454	

* Acquired in July 1995 with comparable store sales reporting starting July 1996.

	Number of Stores			Selling Sq. Ft. (thousands)		
	August 2, 1997	August 3, 1996	Change From Prior Year	August 2, 1997	August 3, 1996	Change From Prior Year
Victoria's Secret Stores	757	703	54	3,433	3,195	238
Bath & Body Works	844	603	241	1,564	1,042	522
Cacique	118	120	(2)	363	368	(5)
Penhaligon's	-	4	(4)	-	2	(2)
Total Intimate Brands, Inc.	1,719	1,430	289	5,360	4,607	753
Express	751	750	1	4,738	4,688	50
Lerner	757	814	(57)	5,803	6,225	(422)
Lane Bryant	808	825	(17)	3,875	3,954	(79)
Limited Stores	648	681	(33)	3,891	4,142	(251)
Henri Bendel	6	4	2	113	88	25
Total Women's Businesses	2,970	3,074	(104)	18,420	19,097	(677)
Structure	543	534	9	2,132	2,067	65
The Limited Too	310	304	6	973	953	20
Galyan's	9	6	3	488	250	238
Total Emerging Businesses	862	844	18	3,593	3,270	323
Abercrombie & Fitch	139	106	33	1,101	830	271
Total Stores and Selling Square Feet	5,690	5,454	236	28,474	27,804	670

Net Sales

Net sales for the second quarter of 1997 increased 7% over the second quarter of 1996, primarily as a result of the increase in retail sales attributed to new and remodeled stores and catalogue sales as comparable store sale performance was flat. During the second quarter of 1997, the Company opened 80 new stores, remodeled 60 stores and closed 19 stores. Net sales for the twenty-six weeks ended August 2, 1997 increased 5% as compared to the same period in 1996 primarily as a result of new and remodeled stores offset by a 2% decrease in comparable store sales.

Sales at the Intimate Brands' businesses for the second quarter of 1997 increased 27% over the same period last year. This increase was attributable to the net addition of 289 stores, a 15% increase in comparable store sales and a 12% increase in catalogue net sales. Year-to-date Intimate Brands, Inc. sales increased 24% over the same period in 1996, due to the net addition of new and remodeled stores, a 12% increase in comparable store sales, and a 10% increase in catalogue net sales.

Sales at the Women's businesses for the second quarter and year-to-date periods of 1997 decreased 12% and 13%, respectively, compared to the same periods in 1996, primarily due to the 11% and 12% decreases in comparable store sales. A substantial portion of the disappointing sales results in the Women's businesses can be attributed to the Express business which recorded a 24% and 27% decline in comparable store sales for the thirteen and twenty-six week periods ended August 2, 1997.

Sales improved significantly at Limited Too and Abercrombie & Fitch Co. which were bolstered by comparable store sales increases of 25% and 15% for the second quarter 1997 and 30% and 14% for the year-to-date period.

Gross Income
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Gross income, expressed as a percentage of sales, increased to 26.7% for the second quarter of 1997 from 26.0% for the second quarter of 1996. The increase was attributable to a 0.5% increase in merchandise margins, expressed as a percentage of sales, and a 0.2% decrease in buying and occupancy costs, also expressed as a percentage of sales. The increase in merchandise margin was attributable to higher initial markup which was partially offset by a higher markdown rate over the comparable period last year.

The 1997 year-to-date gross income percentage increased 0.9% to 27.0% in 1997 from 26.1% for the same period in 1996, which was primarily attributable to higher initial markup partially offset by higher markdowns.

General, Administrative and Store Operating Expenses
- --

General, administrative and store operating expenses, expressed as a percentage of sales, increased to 23.1% for the second quarter of 1997 as compared to 21.6% for the second quarter of 1996. This increase was attributable to a combination of the increase in IBI businesses in the overall sales mix and the inability to leverage these expenses in the Women's businesses due to poor sales performance. The Intimate Brands expense rate increased 1.3%, resulting primarily from Bath & Body Works which increased from 21% to 26% of total IBI sales. Although Bath & Body Works has a higher gross margin, it also has higher general, administrative and store operating expenses as a percent of sales. In addition, investments made in store staffing for the fragrance portion of Victoria's Secret Stores also contributed to the rate increase.

Year-to-date general, administrative and store operating expenses increased as a percentage of sales to 23.8% in 1997 compared to 22.4% in 1996. This increase was due primarily to the reasons discussed above.

Operating Income
- ----------------

Second quarter and year-to-date 1997 operating income, expressed as a percentage of sales, were 3.6% and 3.2%, compared to 4.3% and 3.7%, respectively, for 1996. The decrease was due to higher general, administrative and store operating expenses which more than offset the increase in gross income, expressed as a percentage of sales.

Interest Expense

	Second Quarter		Year-to-Date	
	1997	1996	1997	1996
Average Borrowings (millions)	$767	$917	$780	$854
Average Effective Interest Rate	8.49%	8.17%	8.42%	8.26%

Interest expense decreased $2.5 million in the second quarter and year-to-date periods in 1997 from the comparable periods in 1996. In 1996 two subsidiaries of Abercrombie & Fitch borrowed $150 million in July which was repaid in the third quarter of 1996. The Company also experienced slightly lower average borrowings in the second quarter of 1997 versus 1996.

Other Income

The increase in 1997 second quarter and year-to-date other income of $0.3 million and $2.5 million, compared to 1996 second quarter and adjusted proforma year-to-date other income, was due to interest income earned on temporary investments.

FINANCIAL CONDITION

Liquidity and Capital Resources

Cash provided from operating activities, commercial paper backed by funds available under the committed long-term credit agreement and the Company's capital structure continue to provide the capital resources to support operations, including projected growth, seasonal working capital requirements and capital expenditures. A summary of the Company's working capital position and capitalization follows (thousands):

	August 2, 1997	February 1, 1997
Working Capital	$533,247	$638,204
Capitalization:		
Long-term debt	$650,000	$650,000
Deferred income taxes	106,755	169,932
Shareholders' equity	1,919,961	1,922,582
Total Capitalization	$2,676,716	$2,742,514
Amounts available under long-term credit agreements*	$873,879	$1,000,000

* In addition, the Company may offer up to $250 million of debt securities and warrants to purchase debt securities under its shelf registration statement.

Net cash used for operating activities was $138.9 million for the twenty-six weeks ended August 2, 1997 versus $31.7 million last year. The increase was primarily attributable to an increase in income tax payments and an increase in inventories as merchandise payables, used to fund inventory, remained flat to last year.

Investing activities included capital expenditures, approximately $107 million of which were for new and remodeled stores.

Cash used for financing activities for 1997 reflect an increase in the dividend to $.12 per share from $.10 per share. For 1996, financing activities included $1.615 billion used to repurchase 85 million shares of the Company's common stock.

Capital Expenditures

Capital expenditures totaled $212.5 million for the twenty-six weeks ended August 2, 1997, compared to $191.0 million for the same period of 1996. The Company anticipates spending $390 - $410 million for capital expenditures in 1997, of which $240 - $260 million will be for new stores, the remodeling of existing stores and related improvements for the retail businesses.

The Company expects that 1997 capital expenditures will be funded by net cash provided by operating activities.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

All forward-looking statements made by the Company involve material risks and uncertainties and are subject to change based on various important factors which may be beyond the Company's control. Accordingly, the Company's future performance and financial results may differ materially from those expressed or implied in any such forward-looking statements. Such factors include, but are not limited to, changes in consumer spending patterns, consumer preferences and overall economic conditions, the impact of competition and pricing, changes in weather patterns, political stability, currency and exchange risks and changes in existing or potential duties, tariffs or quotas, availability of suitable store locations on appropriate terms, ability to develop new merchandise, ability to hire and train associates, and other factors that may be described in the Company's filings with the Securities and Exchange Commission. The Company does not undertake to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized.

PART II - OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

The Company is a defendant in a variety of lawsuits arising in the ordinary course of business. On April 8, 1997, the United States District Court, Central District of California, unsealed and permitted to be served an amended complaint previously filed in that court against the Company and certain of its subsidiaries by the American Textiles Manufacturers Institute, a textile industry trade association. The amended complaint alleges that the defendants violated the federal False Claims Act by submitting false country of origin records to the US Customs Service. The amended complaint seeks recovery on behalf of the United States in an unspecified amount. On June 2, 1997, the defendants filed a motion to dismiss the complaint and a motion to transfer the case to the United States District Court for the Southern District of Ohio, Eastern Division. On June 30, 1997, the motion to transfer was granted. The motion to dismiss the amended complaint remains pending. The Company believes the allegations made are without merit and intends to defend the lawsuit vigorously.

Although it is not possible to predict with certainty the eventual outcome of any litigation, in the opinion of management, the foregoing proceedings are not expected to have a material adverse effect on the Company's financial position or results of operations.

Item 2. CHANGES IN SECURITIES

(c) Recent Sales of Unregistered Securities

In July 1997, the Company issued 110,345 shares of common stock of The Limited, Inc. to Patrick W. Galyan in settlement of certain contractual obligations. The sale of the common stock was exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to Section 4(2) thereof, as a transaction not involving a public offering.

Item 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits.

3. Articles of Incorporation and Bylaws.

3.1 Certificate of Incorporation of the Company incorporated by reference to Exhibit 3.4 to the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 1988.

3.2 Restated Bylaws of the Company incorporated by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended February 2, 1991 (the "1990" form 10-K).

4. Instruments Defining the Rights of Security Holders.

4.1 Copy of the form of Global Security representing the Company's 7 1/2% Debentures due 2023, incorporated by reference to Exhibit 1 to the Company's Current Report on Form 8-K dated March 4, 1993.

4.2 Conformed copy of the Indenture dated as of March 15, 1988 between the Company and The Bank of New York, incorporated by reference to Exhibit 4.1(a) to the Company's Current Report on Form 8-K dated March 21, 1989.

4.3 Copy of the form of Global Security representing the Company's 8 7/8% Notes due August 15, 1999 incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated August 14, 1989.

4.4 Copy of the form of Global Security representing the Company's 9 1/8% Notes due February 1, 2001 incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated February 6, 1991.

4.5 Copy of the form of Global Security representing the Company's 7.80% Notes due May 15, 2002, incorporated by reference to the Company's Current Report on Form 8-K dated February 27, 1992.

4.6 Proposed form of Debt Warrant Agreement for Warrants attached to Debt Securities, with proposed form of Debt Warrant Certificate incorporated by reference to Exhibit 4.2 to the Company's Registration Statement on Form S-3 (File no. 33-53366) originally filed with the Securities and Exchange Commission (the "Commission") on October 16, 1992 as amended by Amendment No. 1 thereto, filed with the Commission on February 23, 1993 (the "1993 Form S-3").

4.7 Proposed form of Debt Warrant Agreement for Warrants not attached to Debt Securities, with proposed form of Debt Warrant Certificate incorporated by reference to Exhibit 4.3 to the 1993 Form S-3.

4.8 Credit Agreement dated as of December 15, 1995 among the Company, Morgan Guaranty Trust Company of New York and the banks listed therein, incorporated by reference to Exhibit 4.8 to the Company's 1995 Annual Report on Form 10-K.

10. Material Contracts

10.1 Supplemental Schedule of Directors and Officers who became parties to an Indemnification Agreement.

10.2 The 1997 Restatement of The Limited, Inc. 1993 Stock Option and Performance Incentive Plan incorporated by reference to Exhibit B to the Company's Proxy Statement dated April 14, 1997.

10.3 The Limited, Inc. 1996 Stock Plan for Non-Associate Directors incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended November 2, 1996.

10.4 The Limited, Inc. Incentive Compensation Performance Plan incorporated by reference to Exhibit A to the Company's Proxy Statement dated April 14, 1997.

11. Statement re: Computation of Per Share Earnings.

12. Statement re: Computation of Ratio of Earnings to Fixed Charges.

15. Letter re: Unaudited Interim Financial Information to Securities and Exchange Commission re: Incorporation of Independent Accountants' Report.

27. Financial Data Schedule.

(b) Reports on Form 8-K.

None.

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 LIMITED, INC.
(Registrant)

By /S/ V. Ann Hailey

V. Ann Hailey,
Executive Vice President
and Chief Financial Officer*

Date: September 12, 1997

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* Ms. Hailey is the principal financial officer and has been duly authorized to sign on behalf of the Registrant.

EXHIBIT INDEX

Exhibit No.	Document
10.1	Supplemental Schedule of Directors and Officers who became parties to an Indemnification Agreement.
11	Statement re: Computation of Per Share Earnings.
12	Statement re: Ratio of Earnings to Fixed Charges.
15	Letter re: Unaudited Interim Financial Information to Securities and Exchange Commission re: Incorporation of Independent Accountants' Report.
27	Financial Data Schedule.

EXHIBIT 10.1

SUPPLEMENTAL SCHEDULE OF DIRECTORS AND OFFICERS WHO BECAME PARTIES TO AN INDEMNIFICATION AGREEMENT

Signatory	Effective Date	Capacity
Abigail S. Wexner	May 19, 1997	Director
V. Ann Hailey	August 11, 1997	Executive Officer

EXHIBIT 11

THE LIMITED, INC. AND SUBSIDIARIES

COMPUTATION OF PER SHARE EARNINGS

(Thousands except per share amounts)

	Thirteen Weeks Ended	
	August 2, 1997	August 3, 1996
Net Income	$27,574	$33,150
Common shares outstanding:		
Weighted average	379,454	379,454
Dilutive effect of stock options	1,620	1,190
Weighted average treasury shares	(107,860)	(108,567)
Weighted average used to calculate net income per share	273,214	272,077
Net income per share	$.10	$.12

	Twenty-six Weeks Ended	
	August 2, 1997	August 3, 1996
Net Income	$52,447	$61,302
Common shares outstanding:		
Weighted average	379,454	379,454
Dilutive effect of stock options	1,213	870
Weighted average treasury shares	(107,821)	(89,040)
Weighted average used to calculate net income per share	272,846	291,284
Net income per share	$.19	$.21

Note: Exercise of the Wexner Agreement (which cannot occur prior to January 31, 1998) was determined not to dilute reported earnings per share.

EXHIBIT 12

THE LIMITED, INC. AND SUBSIDIARIES

RATIO OF EARNINGS TO FIXED CHARGES

(Thousands except ratio amounts)

	Twenty-six Weeks Ended August 2, 1997	Twenty-six Weeks Ended August 3, 1996
Adjusted Earnings		
Income before income taxes	$97,447	$111,302
Portion of minimum rent ($373,745 in 1997 and $360,223 in 1996) representative of interest	124,582	120,074
Interest on indebtedness	32,819	35,281
Minority Interest	16,279	12,449
Total earnings as adjusted	$271,127	$279,106
Fixed Charges		
Portion of minimum rent representative of interest	$124,582	$120,074
Interest on indebtedness	32,819	35,281
Total fixed charges	$157,401	$155,355
Ratio of earnings to fixed charges	1.72x	1.80x

EXHIBIT 15

[LETTERHEAD OF COOPERS & LYBRAND APPEARS HERE]

Securities and Exchange Commission
450 5th Street, N.W.
Judiciary Plaza
Washington, D.C. 20549

We are aware that our report dated September 10, 1997, on our review of the interim consolidated financial information of The Limited, Inc. and Subsidiaries for the thirteen-week and twenty-six-week periods ended August 2, 1997 and included in this Form 10-Q is incorporated by reference in the Company's registration statements on Form S-8, Registration Nos. 33-18533, 33-25005, 2-92277, 33-24829, 33-24507, 33-24828, 2-95788, 2-88919, 33-24518, 33-6965, 33-14049, 33-22844, 33-44041, 33-49871, 333-04927, 333-04941, and the registration statements on Form S-3, Registration Nos. 33-20788, 33-31540, 33-43832, and 33-53366. Pursuant to Rule 436(c) under the Securities Act of 1933, this report should not be considered a part of the registration statement prepared or certified by us within the meaning of Sections 7 and 11 of that Act.

/s/ Coopers & Lybrand L.L.P.

COOPERS & LYBRAND L.L.P.

Columbus, Ohio
September 10, 1997

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) OF THE LIMITED, INC. AND SUBSIDIARIES FOR THE QUARTER ENDED AUGUST 2, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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AUG-02-1997
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