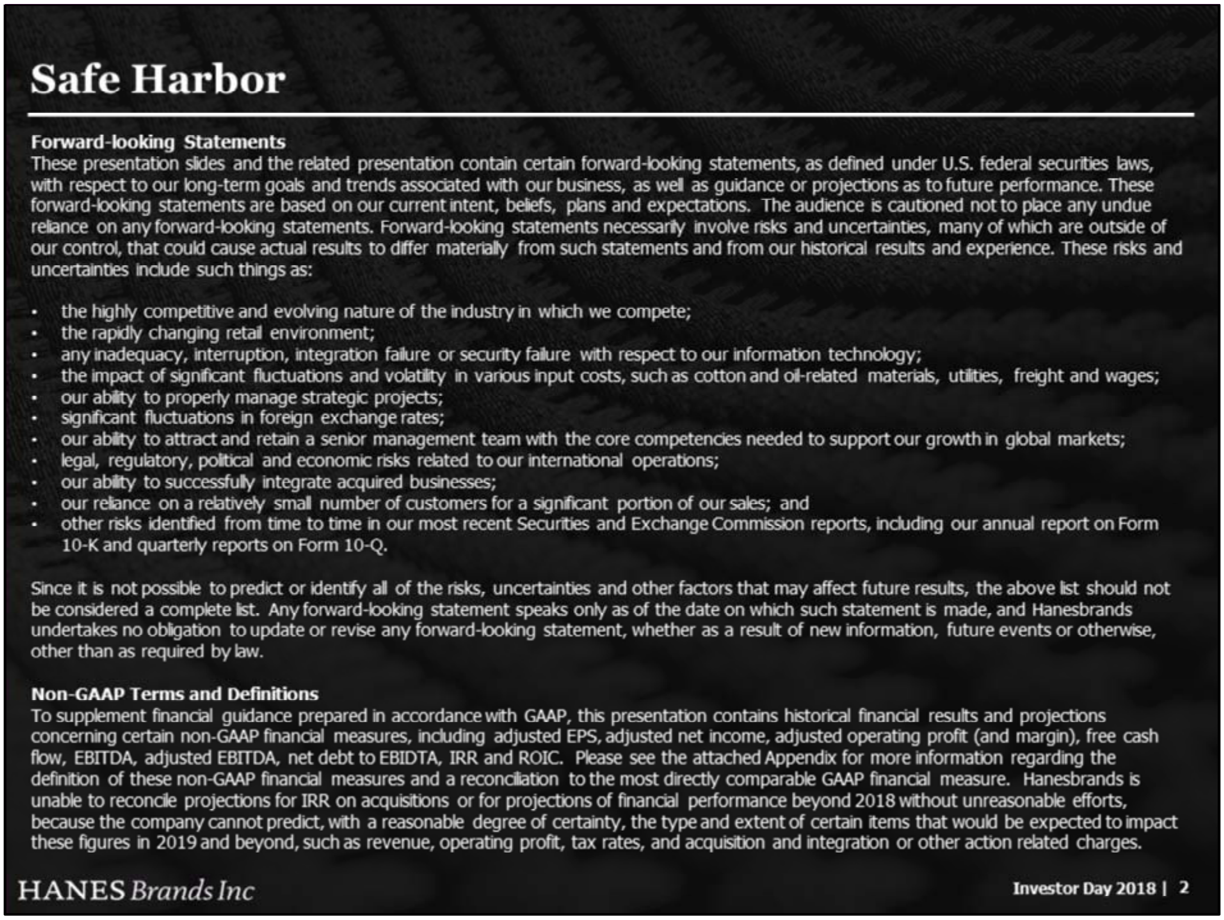
Good morning everyone and welcome to our headquarters in Winston-Salem. And I'd also like to welcome those of you who are listening in via the webcast.



The first order of business today is our safe harbor statement. This is familiar to all of you and can be found on page two of today’s presentation. You can also find our various filings with the SEC, as well as reconciliations of any non-GAAP numbers given during today's presentation, on our investor relations website, www.hanes.com/investors.

We have a great day for you today, where you'll hear from many members of our global management team. It's been four years since our last Investor Day in early 2014. A lot has changed since then, and we're excited to be able to tell our story. Gerald will start the day with an overview of our business and our strategy. Mike will walk you through the benefits of our global supply chain and our global scale, both of which extend beyond manufacturing. Next will be our Global Innerwear team, after which we'll have a Q&A section, followed by a break. When we return, you'll hear from the Global Activewear team. Barry will bring everything together and put some numbers to what you've heard, and Gerald will provide some closing remarks. We'll then host a second Q&A, after which time the webcast will conclude.

From a high level, what you can expect to hear today is that we've been following a disciplined model for a long time. And over this time, our model has delivered solid results. However, we faced a variety of challenges along the way, including the Great Recession and the cotton bubble. Over our 100 year history, each time we have been faced with a challenge, we have adapted our model, strengthened our position and come out the other side a stronger company. Today, you'll hear from the team how we've been adapting to overcome our most recent challenge of channel disruption in the U.S. Over the last three years, we've been diversifying our model, making it more global. We've been migrating with the consumer to online. And we've been strengthening our brand position across all channels of trade. As a result, we believe we have created multiple paths to deliver more consistent, stable organic growth over time. And when you put this through our Global Supply Chain and lever our global scale, you'll see a path for improving margins and much higher levels of free cash flow.

Thank you for giving us your time today. I'll play a brief video, and then you'll hear from Gerald Evans, Hanesbrands' CEO.

Investor Day Kickoff Video

Video Playing

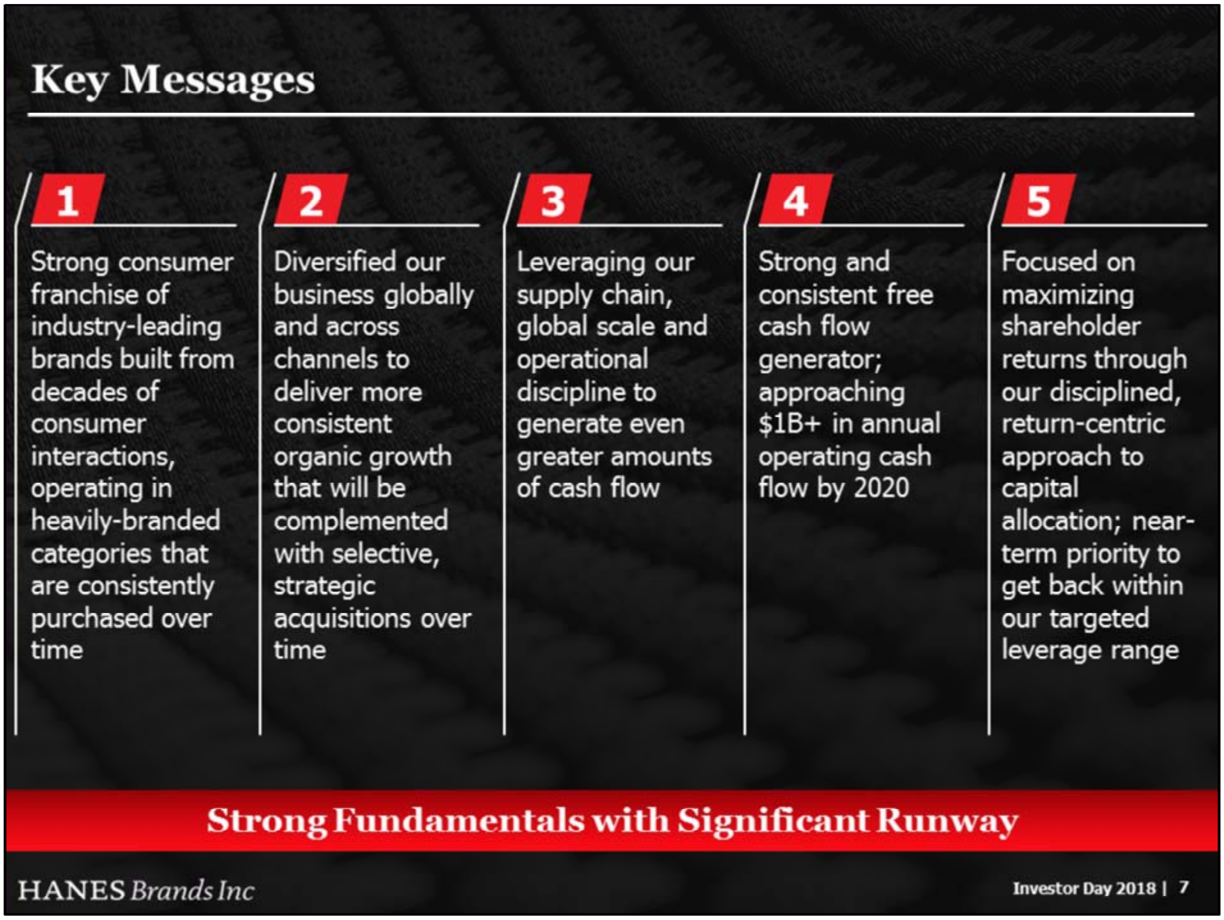
Good morning to those of you here in Winston-Salem, as well as those of you joining us on the webcast. Welcome to our headquarters. We've put together a great day, where we'll provide you with a deeper understanding of our business strategy and our opportunities, as well as give you a broader exposure to our greatest asset, our talented management team, including several of our leaders from our International operations.

Before I get into my presentation, I want to thank everyone who participated in our recent perception study. While many of you see the see the strengths of our business, there are clearly areas where we can improve. This info is extremely helpful in shaping our presentation for today and will continue to assist us in future communications.

We've developed forward financial models with the appropriate level of caution, respecting the evolving nature of today's retail environment, balanced by the strength of our diversified business. I think that you will agree with me that even using conservative assumptions for this outlook, our enterprise is undervalued in relation to its value-creation power and we have significant opportunity for multiple expansion.

In addition, we've begun to provide greater levels of insight into some of our businesses and have focused on several areas of interest to you, including the shift to online, acquisitions, organic growth and capital allocation.

Thank you for taking the time to give us your feedback. This will help us unlock the value that we and many of you see in our company.



So let's get started. Throughout the day, you'll hear several key themes:

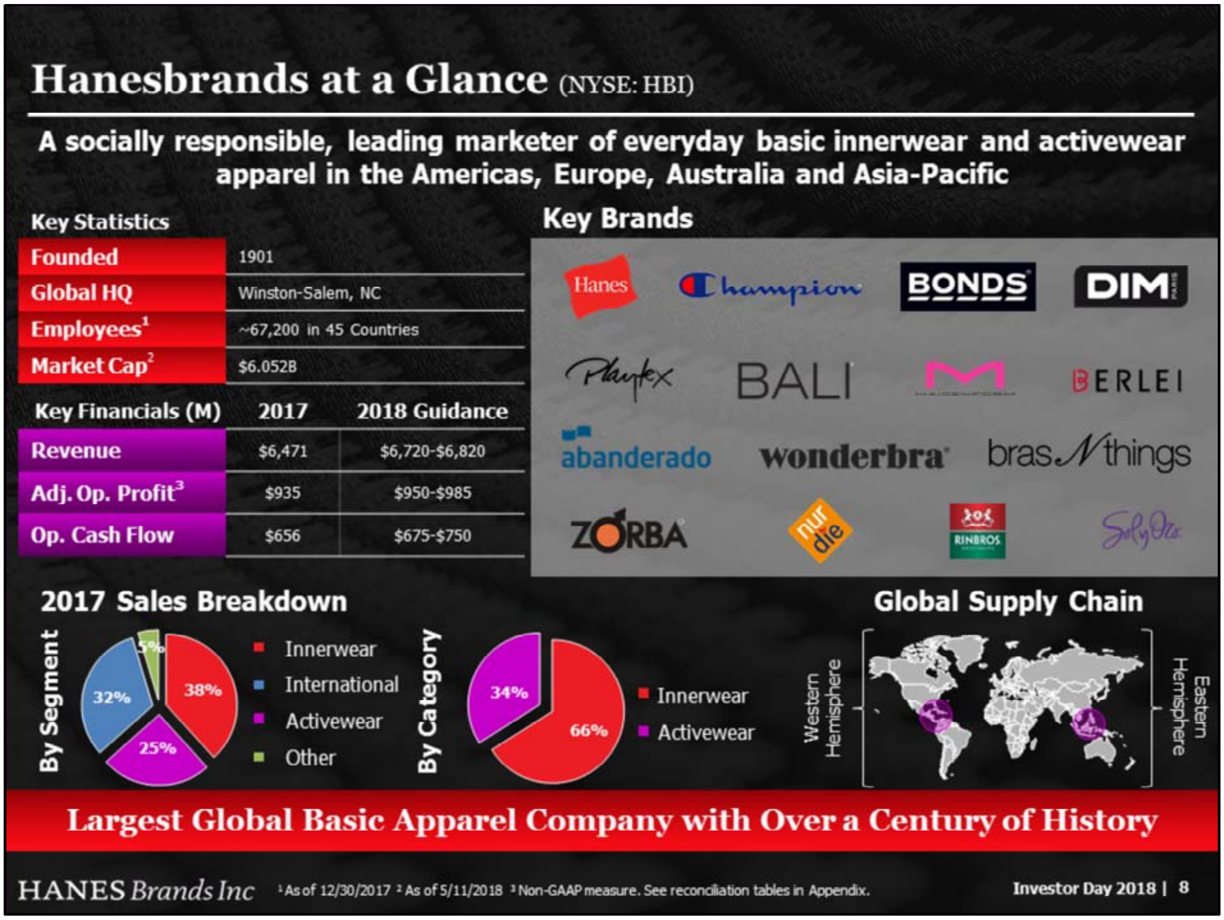
First, we operate in stable and heavily branded categories. And we have leading brands. We have a strong consumer franchise based on a global portfolio of industry-leading brands that we have built over multiple decades, through hundreds of millions of direct interactions with consumers. We'll show you that brands matter now more than ever in our categories, not just in the U.S. but around the world. And yes, brands matter even more when consumers shop online.
Second, we've diversified our business beyond a predominantly U.S. business, selling our products via traditional brick-and-mortar channels; to a worldwide business, selling across traditional and consumer direct channels, leveraging the full power of our supply chain and global scale. This has given us many more avenues to deliver consistent growth and, over time, we'll complement our organic growth with selective strategic acquisitions.

Third, our low-cost, company-owned supply chain and our global scale provide us with a sustainable competitive advantage. By globalizing the front-end of our business, we have increased our volume, allowing us to expand margins over time by leveraging our supply chain, our operational discipline and our global scale. We've repositioned our structure from being simply a U.S. business supported by a global supply chain to now being an interrelated worldwide enterprise that is able to fully utilize the leverage and power of its global operations.

Fourth, we generate significant cash flow and we are well positioned to deliver even higher amounts approaching our $1 billion target for operating cash flow in 2020. While things can certainly fluctuate between now and 2020, we're on track to deliver an operating cash flow of $900 million-plus in our conservative base scenario. And we are well positioned to achieve an internal goal of $1 billion when this conservative base is complemented by an acquisition or acquisitions while remaining within our target leverage. Importantly, free cash flow will also grow nicely in all cases. To put this in perspective, we're positioned to generate as much free cash flow over the next five years as we did in the first 11 years since our company was formed.

And last, we remain focused on maximizing long-term shareholder returns through our disciplined return-centric approach to capital allocation. As we have taken the important steps to diversify our business, our leverage ratio has naturally increased. It's now the appropriate time to get our leverage back down, with our near-term focus on being to get back within our target leverage range of 2x to 3x net debt to EBITDA, allowing for the greatest flexibility to create strong shareholder returns.

So in short, we've expanded our brand portfolio, diversified our business internationally and across channels and we've increased the leverage of our powerful global supply chain. These things give us strong momentum and different options to help significantly grow our cash flow and generate strong shareholder returns in the years ahead. Later today, Barry will walk you through a couple scenarios to illustrate the full potential of our business model over the next five years.



Now I'll spend about 20 minutes giving you a better understanding of who we are, what we do, and how our business model works, and what we are doing to further optimize our model. Hanesbrands is the largest basic apparel company in the world, selling Innerwear and Activewear products in the Americas, Europe, Asia and Australia. In 2018, we're projecting another year of record sales and profits. Our history began in 1901, right here in Winston-Salem, North Carolina; and then reemerged as an independent publicly traded company in September 2006. And we were added to the S&P 500 Index in March of 2015.

We own a portfolio of leading brands, selling products in more than 57 countries around the world. We're unique in that we own the vast majority of our supply chain and we manufacture roughly 80% of our units and 50 large-scale, highly efficient facilities, split primarily between Latin America and Southeast Asia.

On a reporting basis, we are organized into three main segments – U.S. Innerwear, which represents 38% of our sales; U.S. Activewear, which represents 25% of our sales; International, which includes both Innerwear and Activewear products, representing a third of our sales. And the remaining 5% of our sales is in other, which includes our U.S. hosiery and U.S. outlet stores.

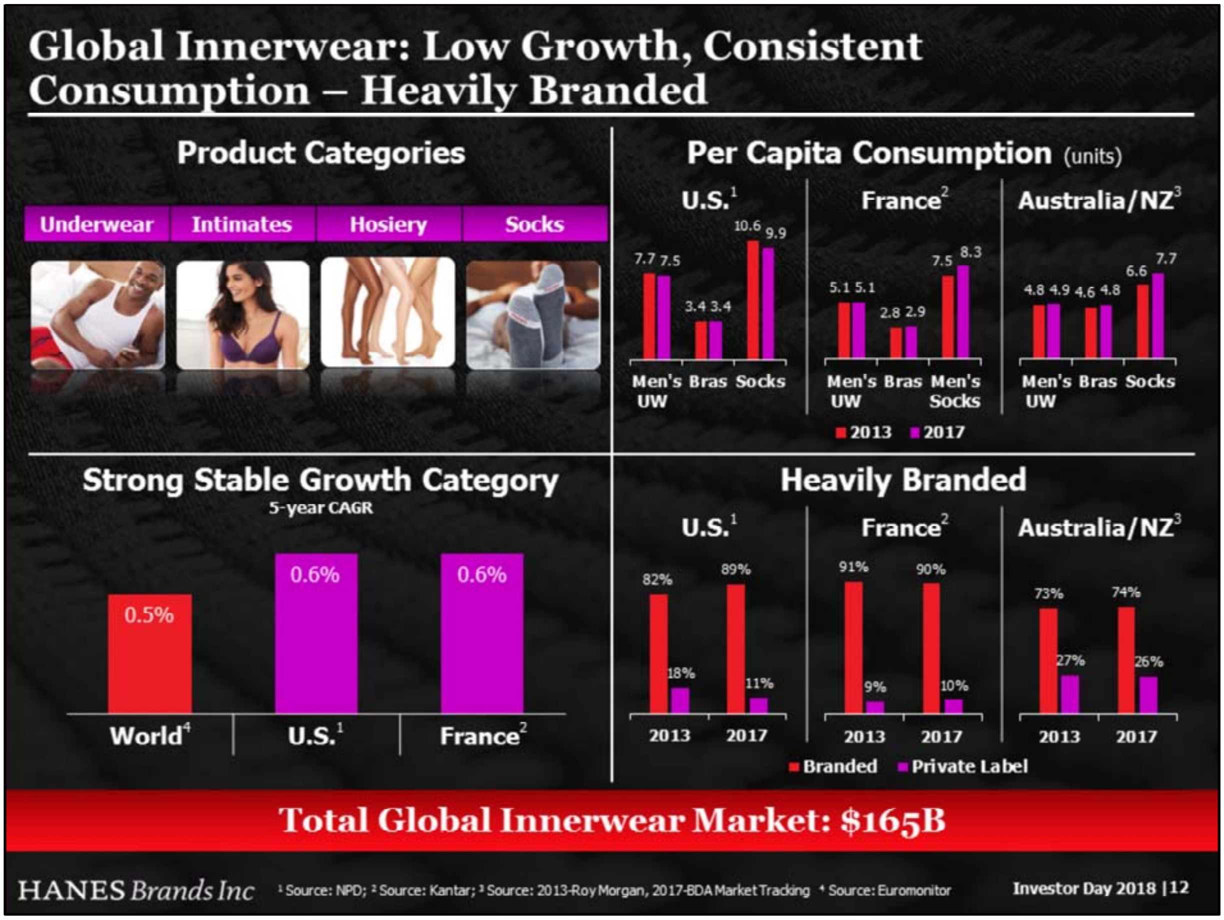
The combination of our brands, our owned supply chain, our processes, and our people gives us a sustainable competitive advantage.

Our strong brands, and low-cost global manufacturing, which incorporates consumer-driven innovation - should be very familiar to many of you as they are the core tenets of our Innovate-to-Elevate strategy. A strategy that clearly underpins our ability to deliver superior operating margins.

Just as important are our consumer-centric focus, a multi-channel distribution philosophy, a culture of continuous improvement, and a deep and talented management team. These assets are scalable, which positions us to generate significantly higher amounts of cash flow over the next several years.

And we do all of this without compromising our responsibility to society and by always doing the right thing. We believe that our award-winning commitment to the environment, employee welfare, product safety and community improvement generates meaningful economic and productivity benefits to our enterprise.

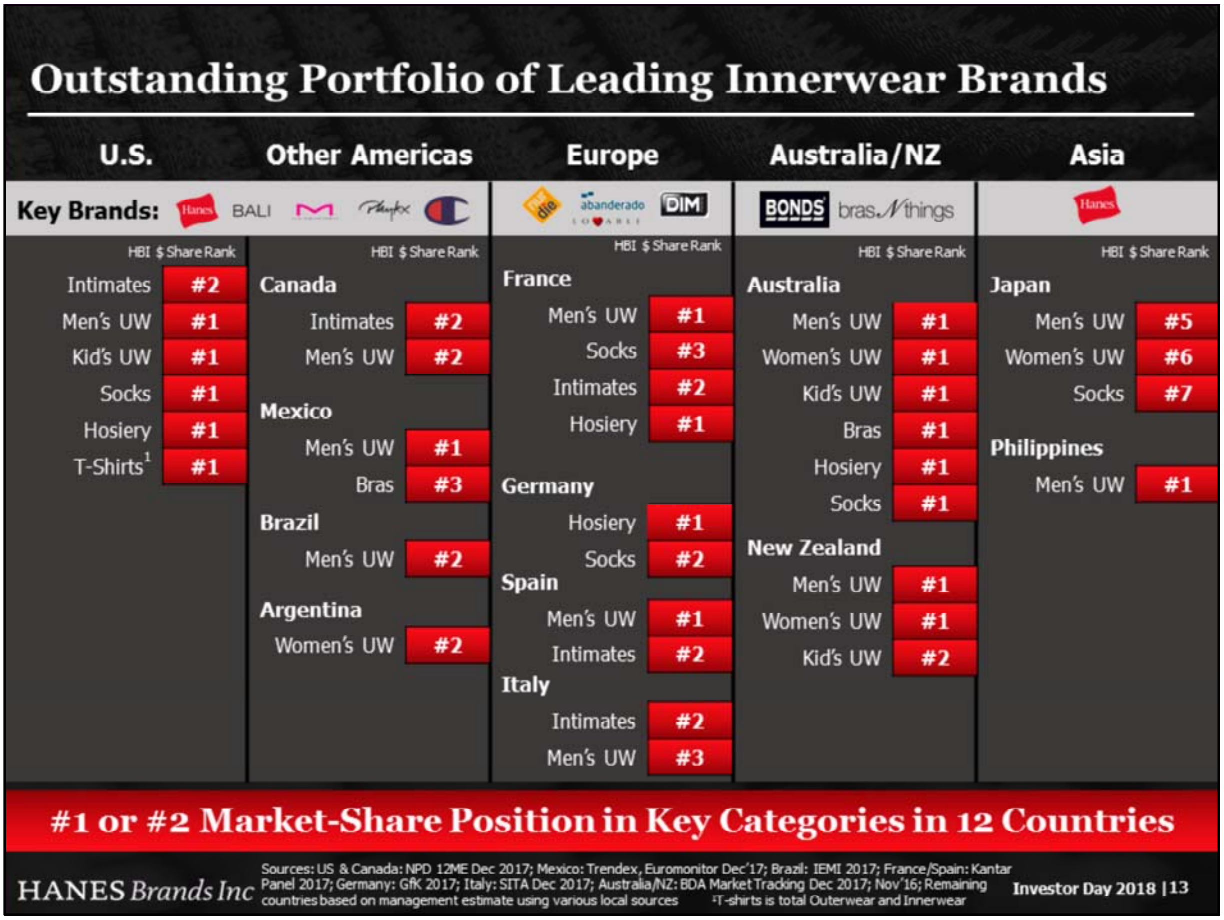
As I mentioned earlier, we have a deep and talented management team around the world. Some have been organically developed while others have come to us through our strategic acquisitions. One of the benefits of having an investor day is that it allows you to gain a deeper understanding of the team that runs our business around the world. And as we move through the day, you'll hear from almost everyone pictured here as they drill down to give you a better sense of how we are positioned to achieve our goals.



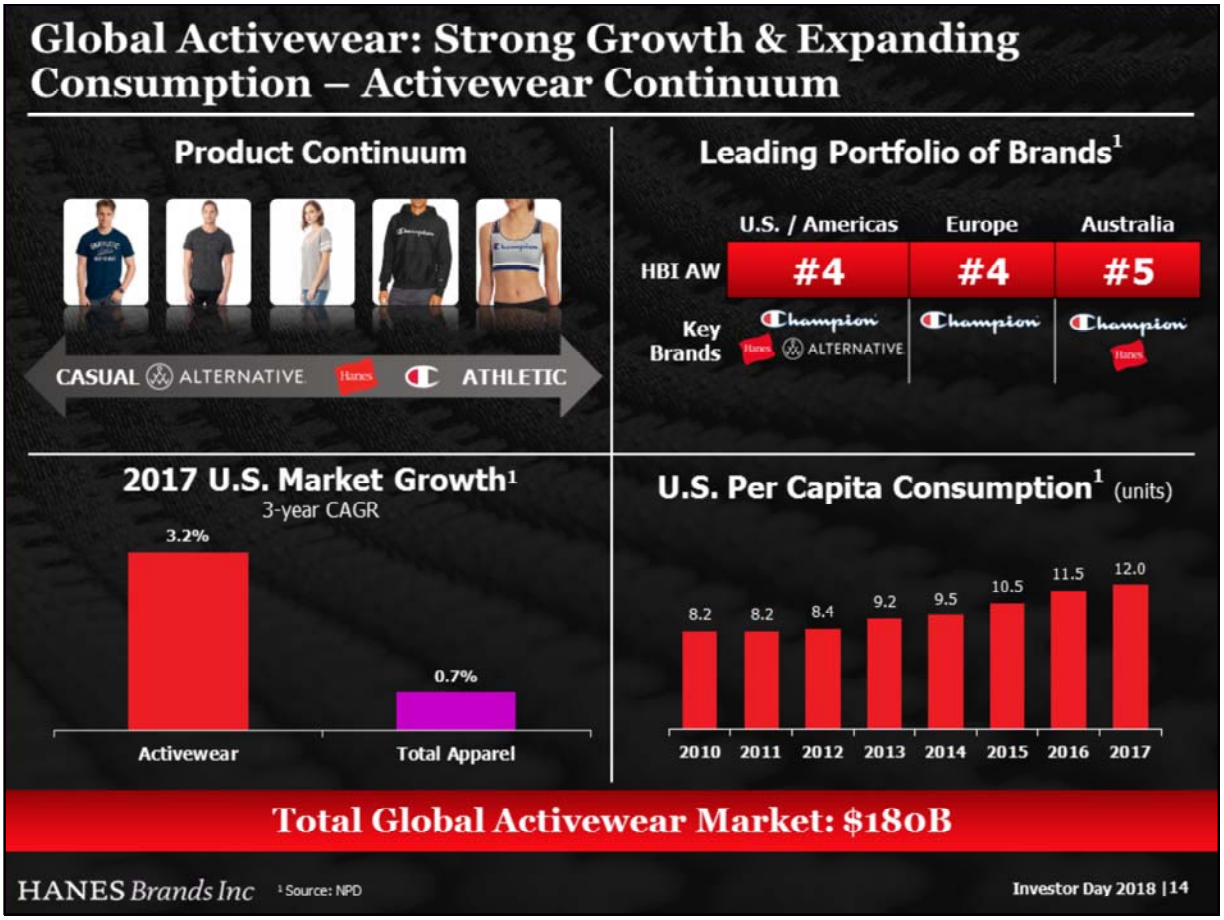
Now let me discuss the two, large, global categories in which we operate - Innerwear and Activewear - that are both replenishment-driven and heavily branded. In fact, we have organized our discussion today around our global categories to give you a clear sense of how we are leveraging our operating knowledge and innovations across the world.

Innerwear is worn by consumers almost every minute of every day, literally every day of their lives. Innerwear is comprised of three sub-categories: Basics, which includes underwear and socks; Intimates, which includes bras and shapewear; and Hosiery. These are essential, everyday apparel products that are relatively low-price point, replenishment products, that consumers purchase only a couple of times a year, typically from established local or regional brands that have been in place for 50 to 100 years. And as you can see, across Innerwear products and across geographies, consumption patterns have been very stable over time. We estimate the Global Innerwear category to be $165 billion at retail. This large category tends to grow in-line with population growth and has rational competitive dynamics.

In Innerwear, brands matter. The driving factors behind purchase intent are brand, comfort, and fit, with price being a distant fifth. This is why private label has held a small, and in most cases, declining share of the market around the world. When consumers find brands they like and trust, they tend to stick with them, buying them over and over again, literally for decades. Our branded consumer franchise is composed of hundreds of millions of consumers that wear one or more of our products every day of their lives.



As you can see, in the heavily branded Innerwear category, we have a large portfolio of leading brands that hold the number 1 or number 2 position in the markets where we compete. Several of our brands, such as Hanes, DIM in France, and Bonds in Australia, have thrived for many decades as big, iconic brands with broad appeal spanning across generations.

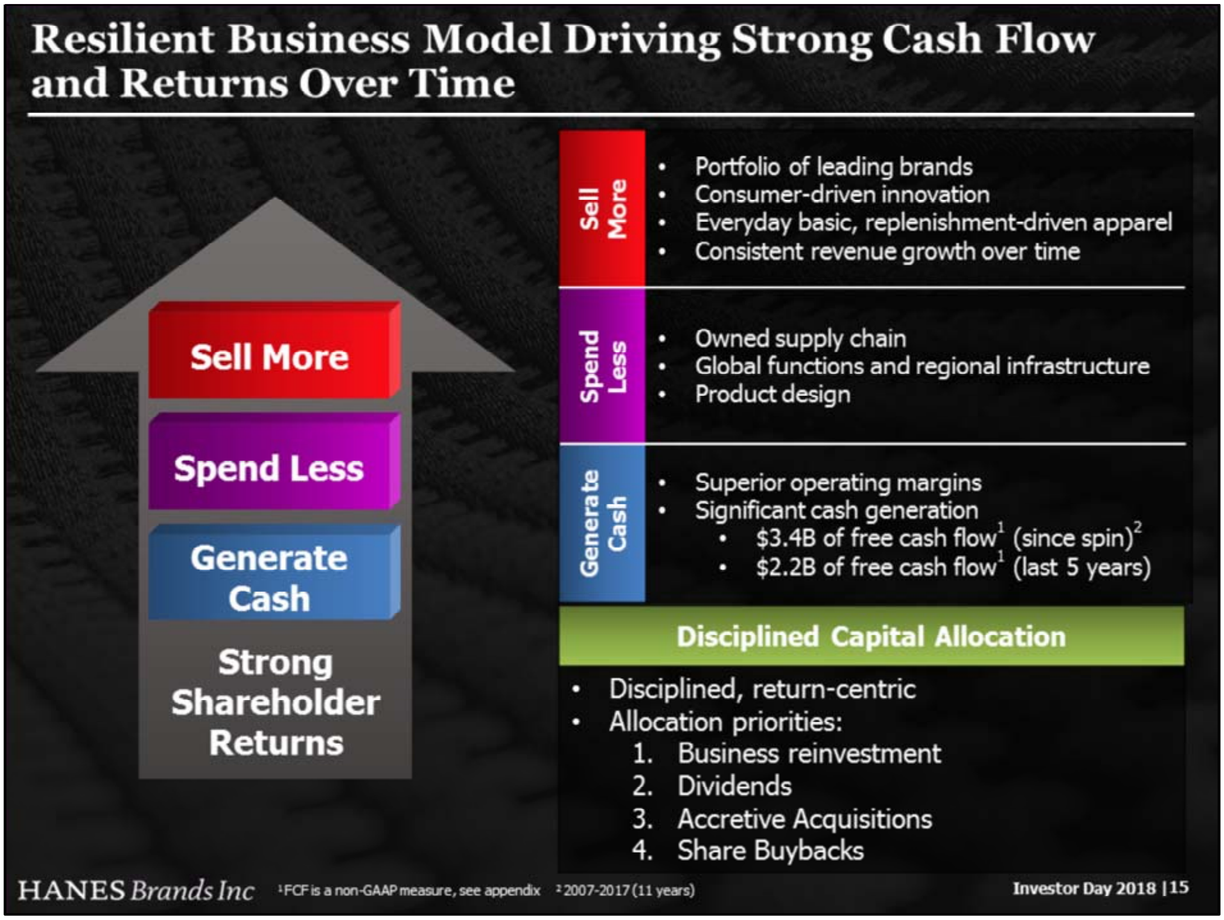


Activewear, our second global category spans multi-use occasions from athletic performance to casual, everyday activities. Products include performance and casual t-shirts, shorts, fleece, and sports bras.

We estimate that Activewear is $180 billion globally. The convergence of casual lifestyle and the sport-inspired active megatrend has blurred the lines between performance and casual and has driven increasing consumption rates of this category over the past several years ---making it the fastest growing segment within the apparel market.

We find the mid and high-ends of the Activewear category to be more branded. We compete in these segments with a portfolio of brands including Hanes and Alternative Apparel that address the Casual portion of the market, and our larger Champion brand that focuses on the athletic apparel segment where consumers desire brands that have true athletic history and authenticity.

The Champion brand, that will soon celebrate its 100th year, is one of the original global athletic brands. In a good, better, best market structure, Champion is firmly positioned across the world in the 'better' and 'best' segments of the market. Over the last few years, we have reunited the Champion brand across the world through acquisitions and it is currently delivering strong growth as we elevate distribution channels and expand globally.

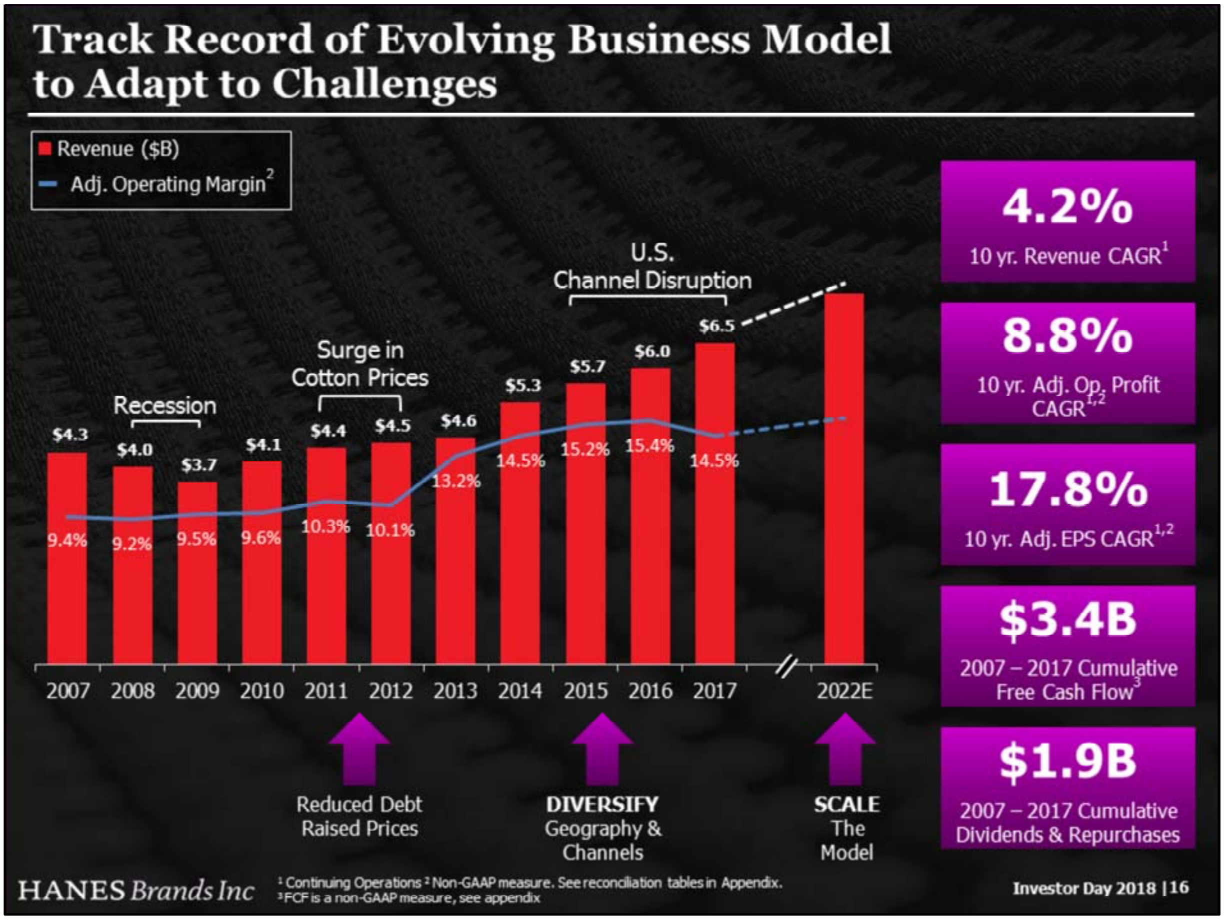


We have a resilient business model that has delivered strong cash flow and positive returns over time.

If you have followed the company long enough, you have heard us refer to our business model using the mantra of Sell More, Spend Less, and Generate Cash. This simple operating philosophy has served us well ----generating sales and operating profit growth each year --- and delivering a significant amount of free cash flow.

We apply a return centric approach to deploying our cash flow through a mix of reinvestment, dividends, acquisitions, and share repurchases which has generated strong long-term returns for shareholders. Over the past five years our return on invested capital has averaged in the high teens.

In a moment I will discuss the steps we have taken to further optimize this proven business model by taking it global and across the emerging consumer-direct channels. We believe these steps will position our company to generate more consistent sales and profit growth, higher cash flows and even better shareholder returns over time.

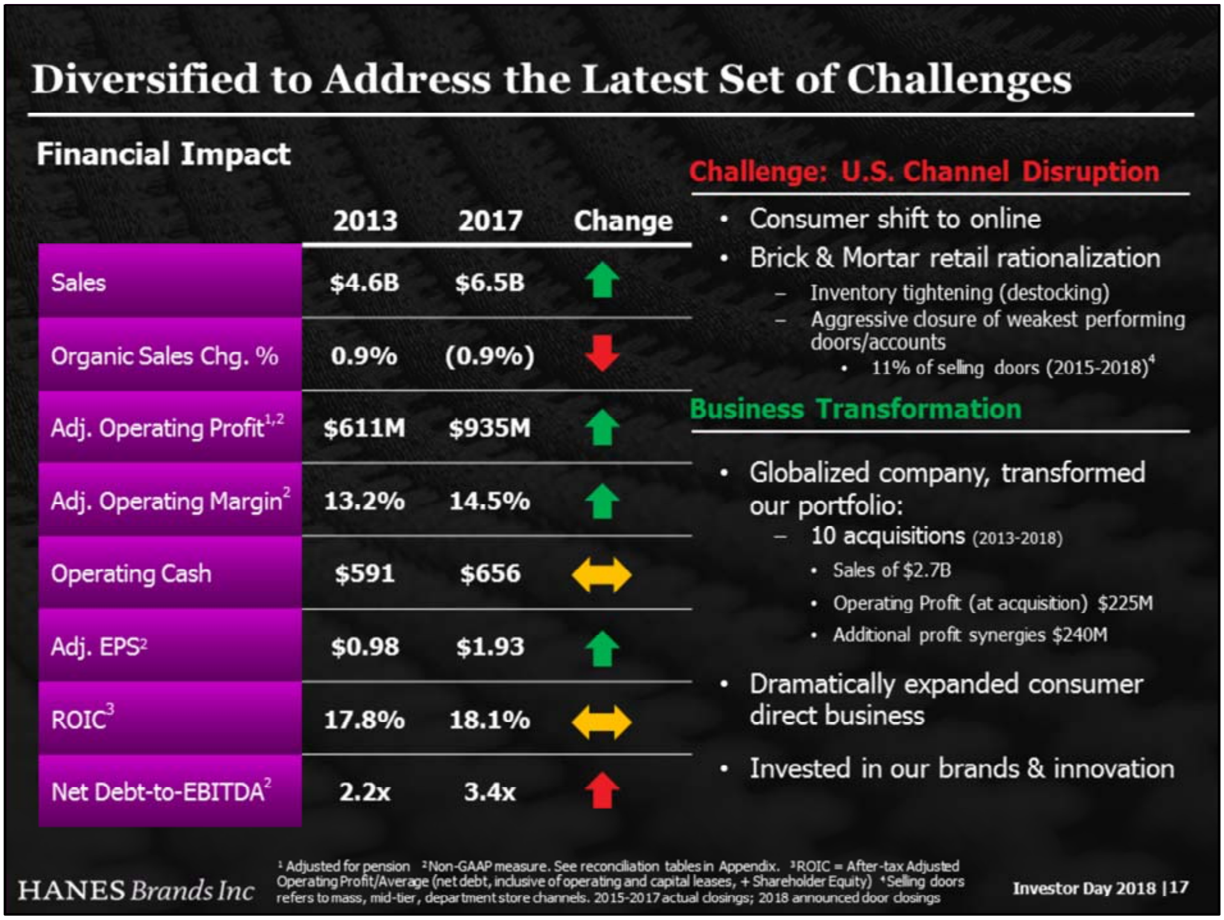


Now that you have a better understanding of who we are, and our business model; allow me to provide a brief historical perspective on our business. Since our 2006 spinoff, we have recapitalized our supply chain, integrated our operations, reinvested in our brands, led the introduction of meaningful innovation to our categories, broadened our distribution to include all channels of trade, divested out of commodity products, and expanded our portfolio of leading brands through strategic acquisitions.

As we built our company, we delivered very strong results, which highlights the strength and the durability of our business model. Revenue has increased at a 4% compound annual growth rate. Operating profit has grown at a 9% CAGR and our earnings per share has increased at an even faster rate of nearly 18%. Over the last decade, we have generated over $3 billion in cumulative free cash flow, of which nearly $2 billion has been returned to shareholders in the form of dividends and share buybacks. That said, it has not been without its challenges. In the past decade, we weathered the worst recession in the U.S. since the Great Depression. We implemented multiple double digit price increases in the 2011/2012 period to offset a sudden surge in cotton prices to the highest levels since the Civil War. And we are currently managing through one of the biggest channel migrations in nearly 30 years.

To be able to deliver these compounded results over a decade, through these types of environments, speaks to the strength of our brands, to the stability of our categories, to the power of our business model, and most importantly, to our agility to continually evolve our model to overcome whatever challenges come our way. As you can see, we emerged after each significant challenge in an even stronger position - both competitively and financially.

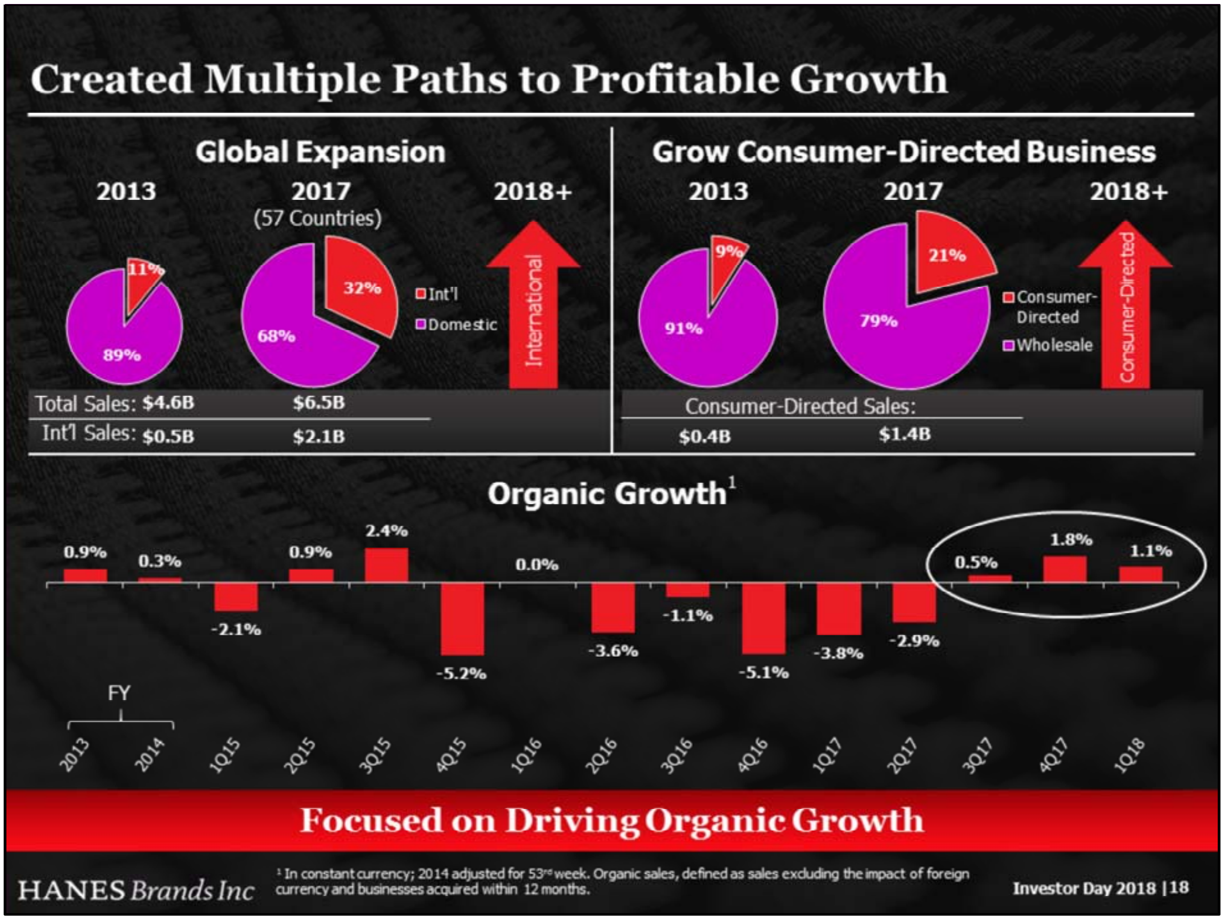
And it's this same formula of strong brands, stable categories, scale leverage, and disciplined capital allocation that positions us to deliver strong returns for the next decade.



Looking specifically at our performance since our last Investor Day, we have continued to deliver record sales and profits, year after year. However, our organic sales growth and cash flow growth slowed in the latter half of 2015 as the emergence of the online channel challenged the competitive position of brick and mortar retail. Since then, in an effort to remain competitive, brick and mortar retailers have been adjusting their business models by tightening inventory turns and closing poor performing stores. For example, in just a three year period of time, our store base for U.S. Innerwear contracted by 11%. To adapt, we began a strategic initiative to diversify our business by becoming a more global company, and by building a stronger direct relationship with the consumer with a clear focus on establishing ourselves as a category leader in the online channel.

Acquisitions have been a key element of this diversification strategy. Since 2013, we acquired 10 companies, many outside of the U.S., or in faster growing channels and categories. These acquisitions have expanded our international footprint and portfolio of leading brands, broadened our distribution channels including rapid expansion online, and expanded our management depth.

I believe the true potential of what we have been building is not fully understood. We have evolved from a U.S wholesale dependent business to a worldwide business that now fully leverages the power of our supply chain and global scale to create multiple paths to growth.



So let me dig a little deeper into the power of our diversification efforts.

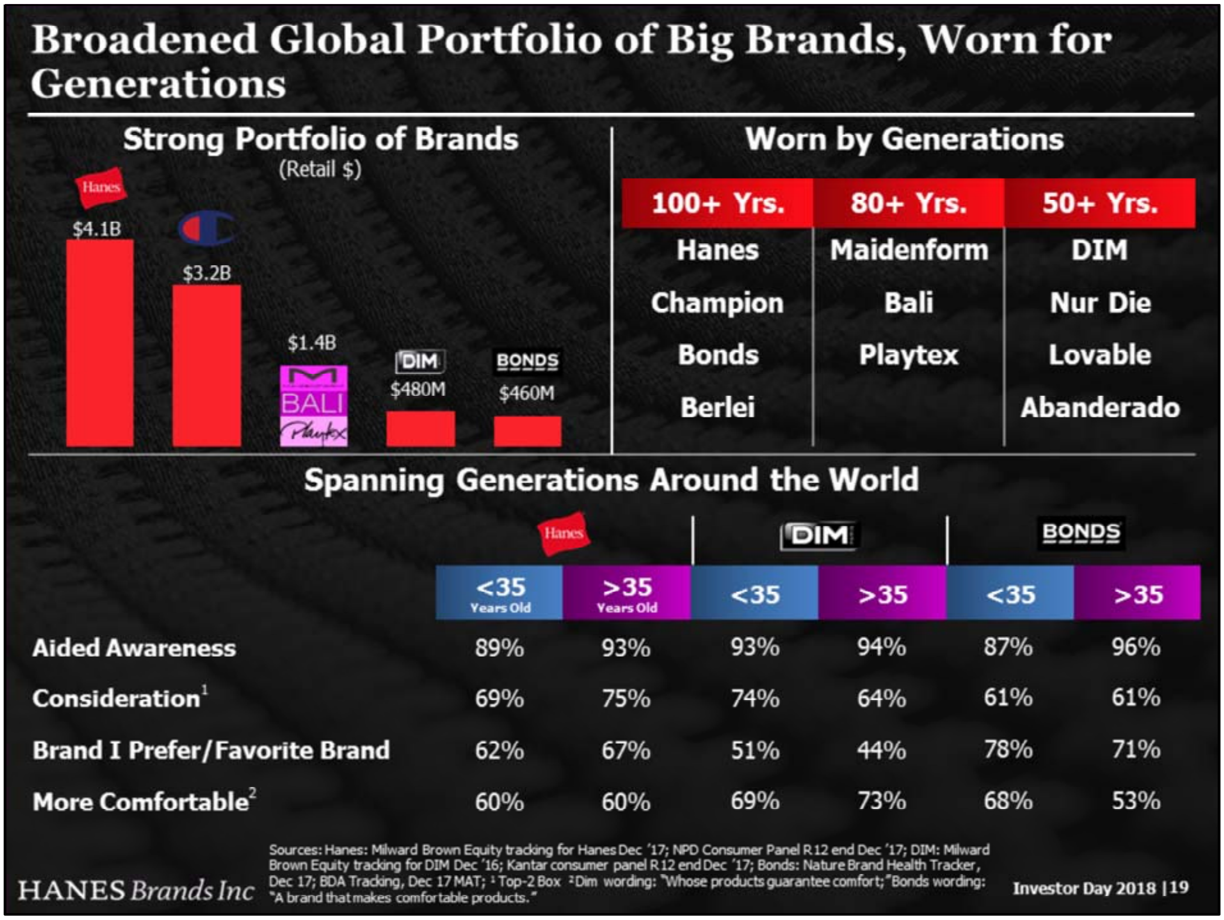
First, in just a few years, we have expanded our international revenue base from 11% to roughly a third of our sales in 2017, with this mix expected to grow to 35% or more in 2018. We have gained access to the vast majority of the world's population that is outside the U.S, where we previously held a small share of our very large global categories.

Second, consumer-direct sales have gone from 9% in 2013 to 21% in 2017, and this will continue to grow in 2018 and beyond. Consumers today are engaging directly with brands and making purchases where it's most convenient. Sometimes that's online, and sometimes it's purchased online then picked up in the store.

We have rapidly adapted our distribution to ensure our products are available everywhere our consumers wish to purchase them. Later you will hear in detail how we are driving our consumer-direct expansion and get a sense of the operating knowledge that we have around the world.

Looking at the chart below, the door closures and inventory adjustments in the U.S. weighed on our organic revenue growth in 2015, 2016 and early 2017. However, beginning in 2017, we started seeing the benefits of our diversification as organic revenue growth returned in the second half and continued into the first quarter of 2018.

While there is always the potential for fluctuations from quarter to quarter, we are well-positioned to deliver more consistent levels of organic growth, and to drive our cash flow generation much higher going forward.



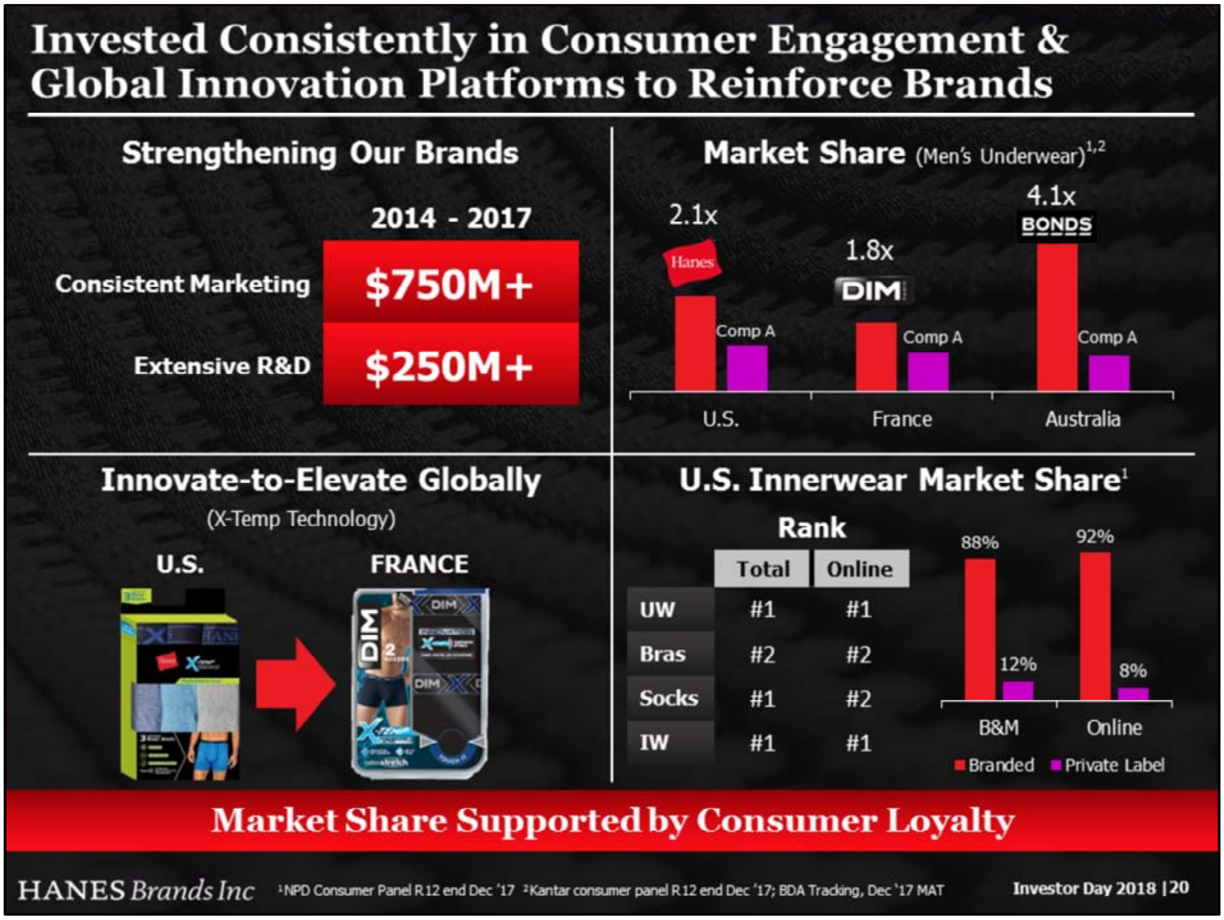
As we diversified, we have strengthened our consumer franchise by adding iconic brands from around the world.

You will continue to hear that brands matter in our categories. Brands provide pricing power to offset input cost inflation where weaker brands and private label cannot. Brands are trusted by consumers, making them more willing to try innovation. And brands help drive traffic for our retail partners.

Our strong consumer franchise is represented by our portfolio of the apparel industry's best brands around the world, several of which are big, iconic brands like Hanes, Champion, DIM in France, and Bonds in Australia that have been worn for generations.

Four of our brands - Hanes, Bonds, Champion, and Berlei - are 100 years old. Three others - Maidenform, Bali, and Playtex - are 80 years old, with another four, including DIM, that are over 50 years old. As you can see on the bottom of the slide, our brands have broad appeal, spanning demographics and generations,--holding strong equity measures across young and older consumers. It's also why brands such as Hanes, DIM and Bonds can be found in 8 out of every 10 households in their respective countries.

We reinforce these strong consumer equities by maintaining a strong, close relationship with the consumer, bringing innovations, and consistently delivering our brands' promises. And from time to time, we see opportunities to extend our portfolio to include additional brands like Alternative Apparel and Bras N Things that resonate with an emerging consumer group or channel.

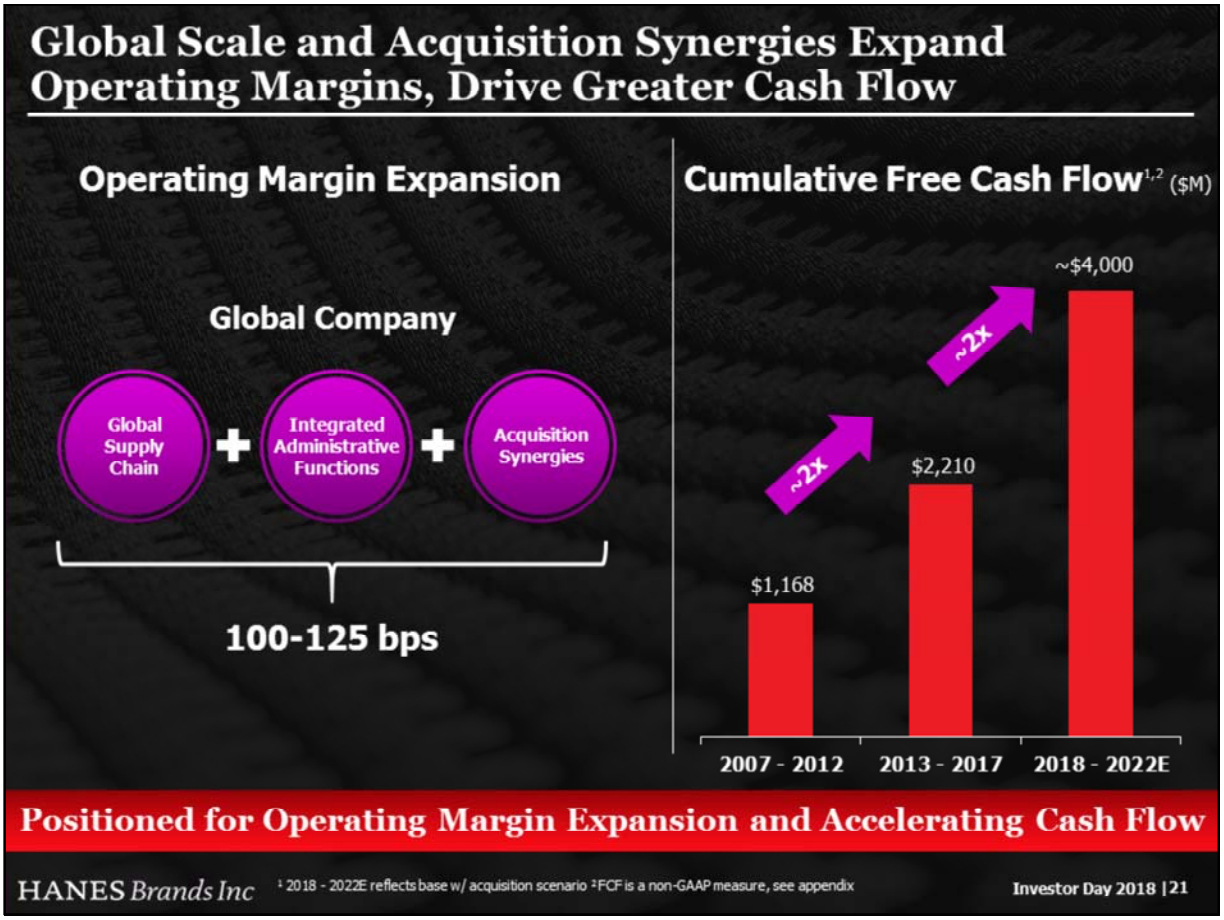


Given the branded nature of our categories, we'll continue to invest in our brands. Over the past four years, we have invested over $1 billion in marketing, media, and Research & Development to reinforce our leading brand positions.

Using men's underwear as an example, you can see that we hold nearly twice the share as our nearest competitor, and in the case of Australia, it's over four times. Online shopping is NOT changing this dynamic. Brands are actually more important to consumers who are shopping online than they are in-store.

Channels and consumer shopping behaviors have been evolving for centuries. In the early 1900's Sears & Roebuck introduced a catalog that allowed consumers to receive thousands of products directly to their door within weeks. This began a consumer shift away from local mom and pop stores that could not offer the same breadth of inventory. In the 1980s and 1990s, the emergence of Walmart, and to a lesser degree Target, began another shift toward a national mass channel, where 90% of consumers in the U.S. had access to hundreds of thousands of products within 15 miles of their homes. And over the past decade, online has begun another channel shift, offering consumers millions of products shipped to their door in two days or less.

As history has shown, consumers will continue to shift their channel behavior over time. But in our categories, they will continue to search out their preferred brands. In the U.S., our market share in our categories online are similar to or better than our strong brick-and-mortar shares. We have a portfolio of brands with strong consumer equity measures across young and old, and we have significant share positions relative to our nearest competitors, no matter the channel. As we continue to nurture our close relationship with the consumer, we expect our brands to get even stronger over time.

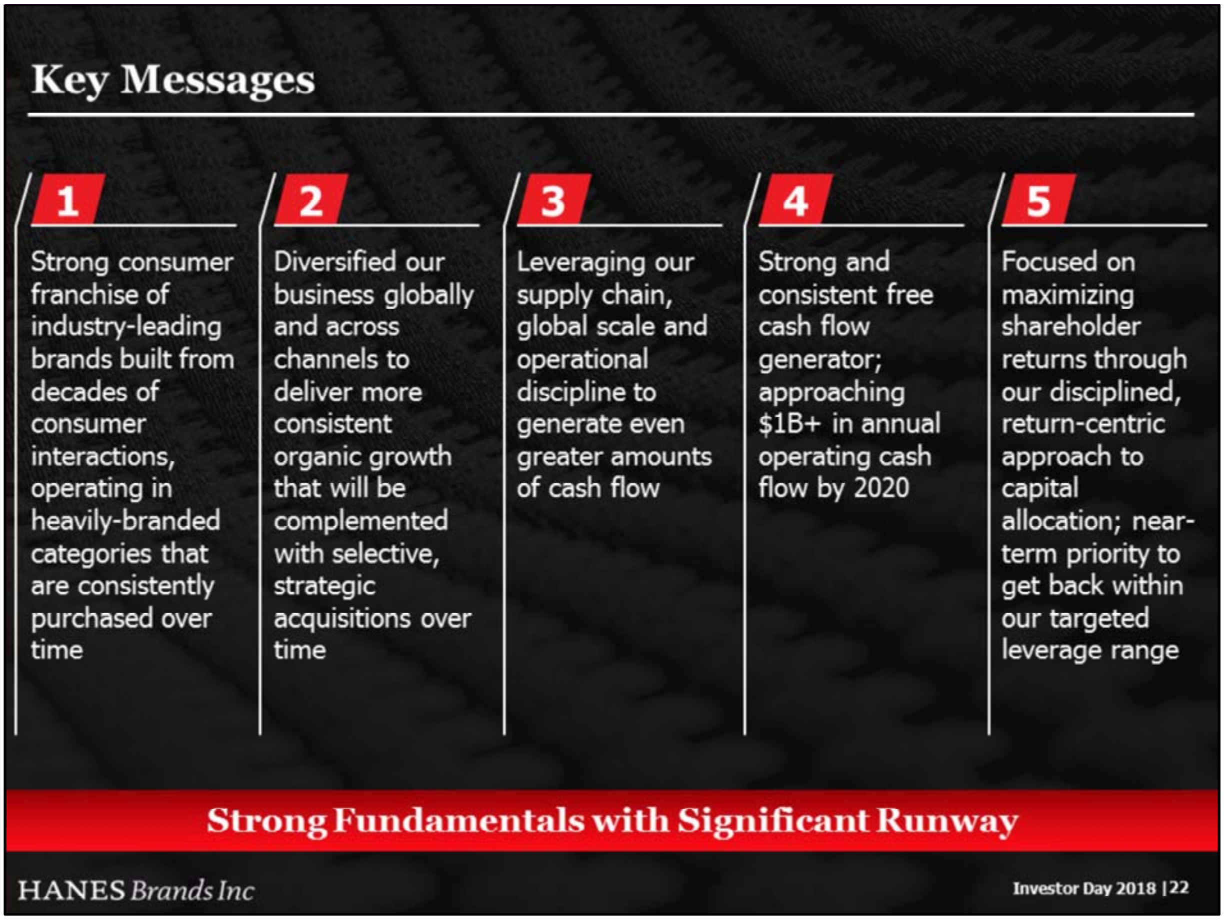


As we diversified by geography, channel expansion, and acquisitions, we further leveraged our global operating scale. We make over 2.2 billion units a year, which creates significant manufacturing scale, but we also generate scale in how we run our global functions, including IT, procurement, and Research & Development. The result is our industry-leading operating margins.

More stable organic growth, along with selective, strategic acquisitions over time, will generate additional volume that can further leverage our global scale. Add to this the remaining synergies from our prior acquisitions and we believe we could expand our margins by another 100 to 125 basis points over the next several years.

And all of this positions us to generate significantly higher levels of cash flow. We generated over $1 billion of free cash flow in our first six years after spin. Over the five years that followed, we nearly doubled that, generating over $2 billion of free cash flow. And as we look forward, we expect to generate cumulative free cash flow approaching $4 billion, which is more than we generated in the previous eleven years.

And by putting greater amounts of cash flow through our disciplined allocation process, we believe we are well positioned to achieve even higher returns for shareholders over the next several years.



As I wrap up this section, I want to give you a sense of the themes you'll hear throughout the day.

We have a strong consumer franchise of industry-leading brands built from decades of consumer interactions; operating in heavily branded categories. Over the past several years, we've expanded our distribution and strengthened the consumer equity of our key brands.

Our brands, along with our global scale and low-cost, company-owned manufacturing gives a sustainable competitive advantage.

We have continued to evolve our business model to adapt to the challenges in the U.S. wholesale market. As we have in the past when faced with challenges, we expect to emerge in a much stronger position. And we are already seeing signs that our diversification efforts have begun to stabilize organic growth.

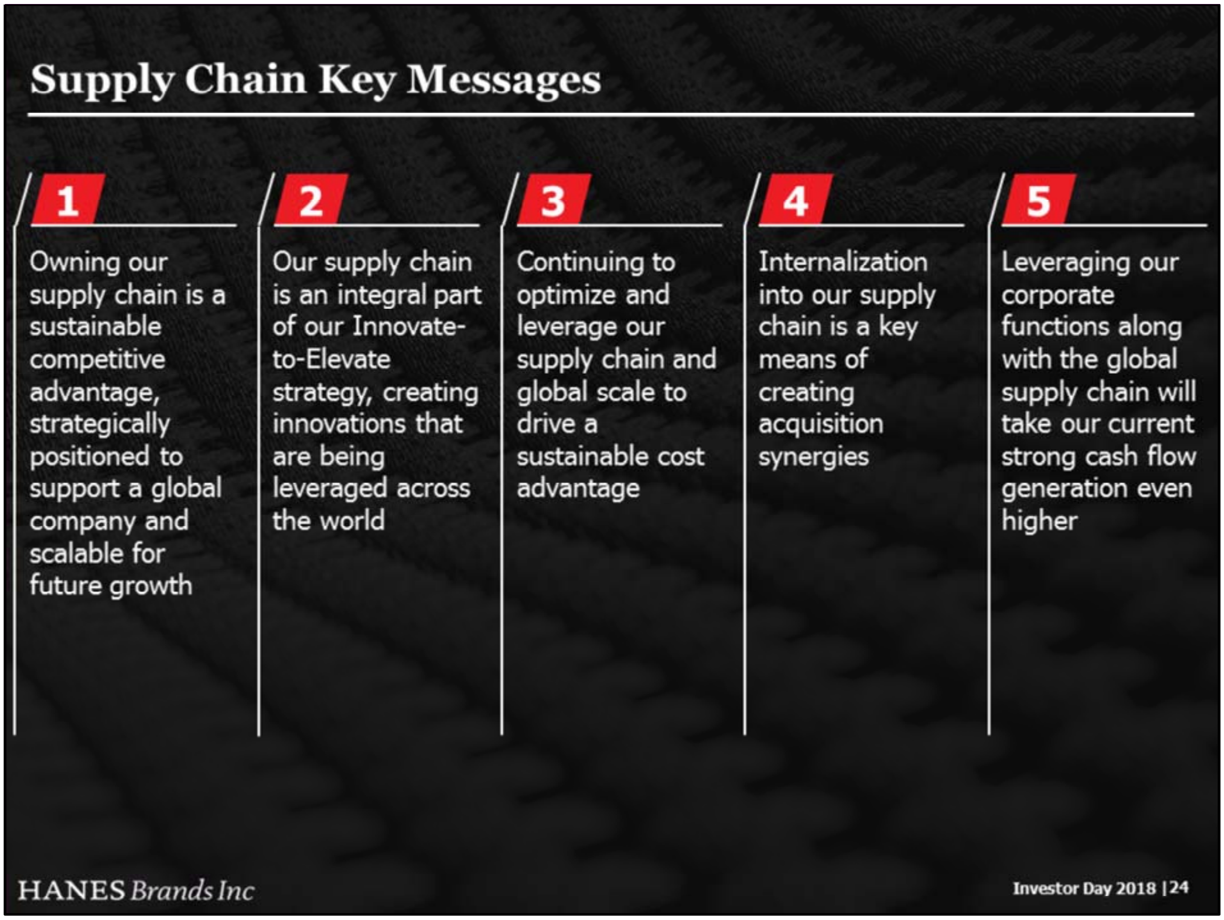
Diversifying our business has provided multiple paths to more consistent organic growth, which we will complement with select, strategic acquisitions over time. We'll leverage our supply chain and global scale to improve upon our industry leading margins. All of this is expected to generate even higher levels of cash flow. We are on-track to deliver operating cash flow approaching $1 billion and $900 million of free cash flow by 2020.

And we plan to maximize shareholder returns through our disciplined, return-centric approach to capital allocation, and earn the valuation and multiple that we think our shareholders deserve.

I hope you are beginning to see what I so strongly believe; there is great opportunity ahead for Hanesbrands.

I will come back later to summarize, but now, let me introduce Mike Faircloth, Group President, Global Supply Chain, IT, & E-Commerce.

Thanks Gerald.



Good Morning. I will explain a little more about how our supply chain is an integral part of our company's strategy, or if you remember the "secret sauce" as Gerald described it a few years ago. I will begin with these key messages that capture what sets our Supply Chain apart.

We believe that, owning our supply chain is a competitive advantage, it is strategically positioned to support a global company and it is scalable for future growth.

Our supply chain is an Integral part of our innovate-to-elevate strategy, creating innovations that are being leveraged across the world.

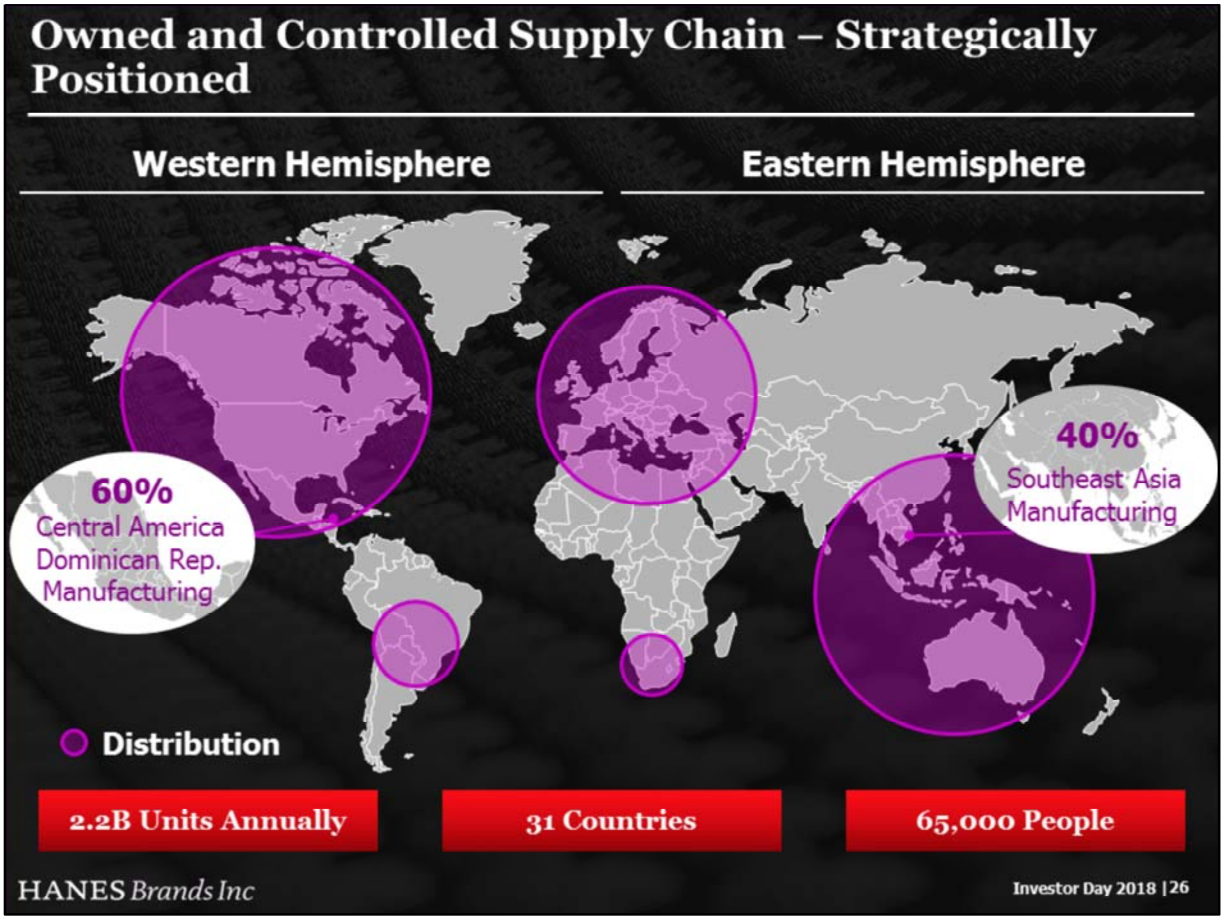
And we continue to optimize it and leverage our global scale to drive a sustainable cost advantage.

Our ability to Internalize production into our supply chain, is a key contributor to acquisition synergies

And by Leveraging both our corporate functions and the Global Supply chain we will take our current strong cash flow generation even higher.

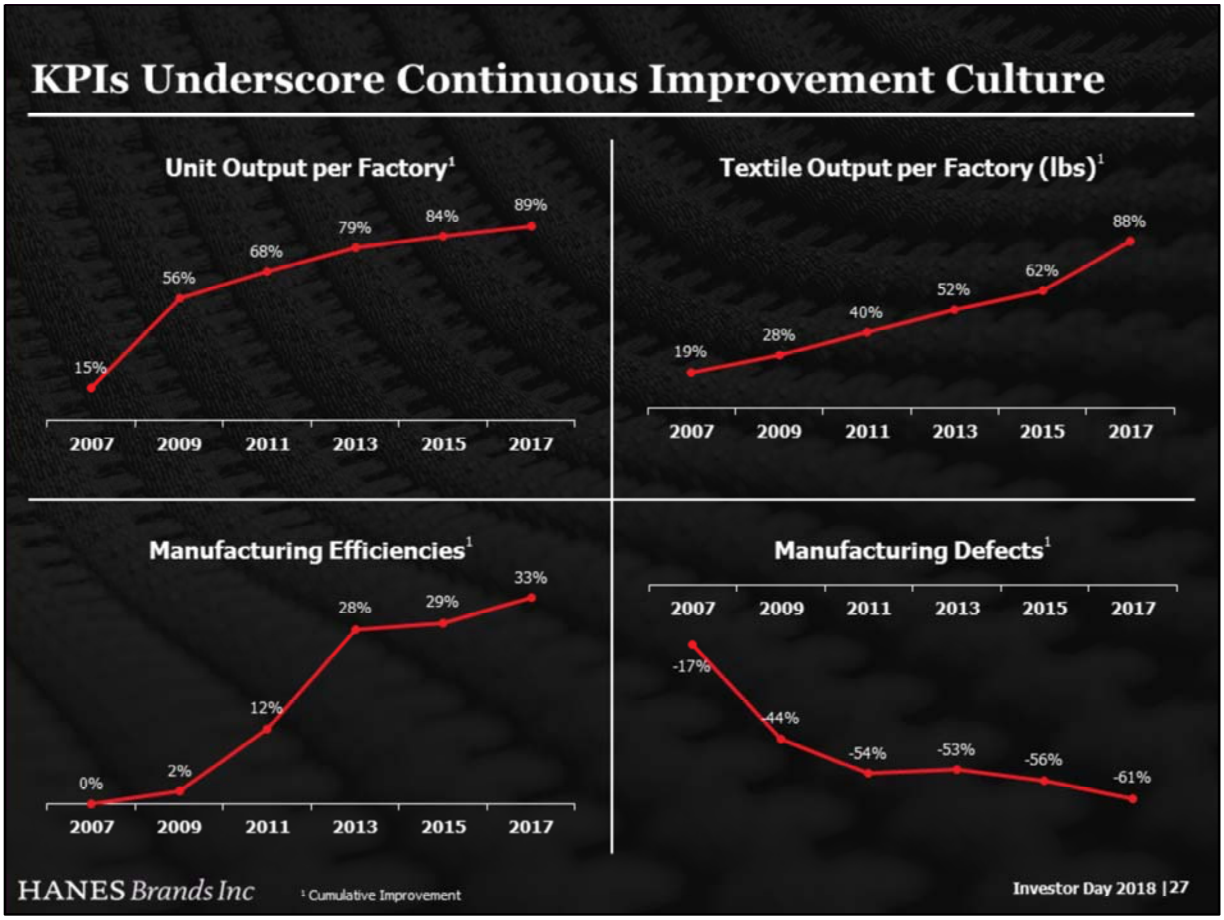
So, we are much more than a company that just sources its products or simply owns manufacturing facilities. Instead, we understand everything about our products, including all that is required to successfully design them, make them, and distribute them. The supply chains role is clear, it is to operate a low-cost network, develop innovation platforms and protect our leading brands by operating with the highest standards.

And our operations are strategically positioned to be leveraged to increase value to our current business and for future acquisitions.



We operate globally with significant scale, now producing over 2.2 billion units per year and our operations are strategically positioned in low-cost regions, balanced across the Eastern and Western Hemispheres. This balance mitigates risk and is designed to efficiently supply products to all of our global markets.

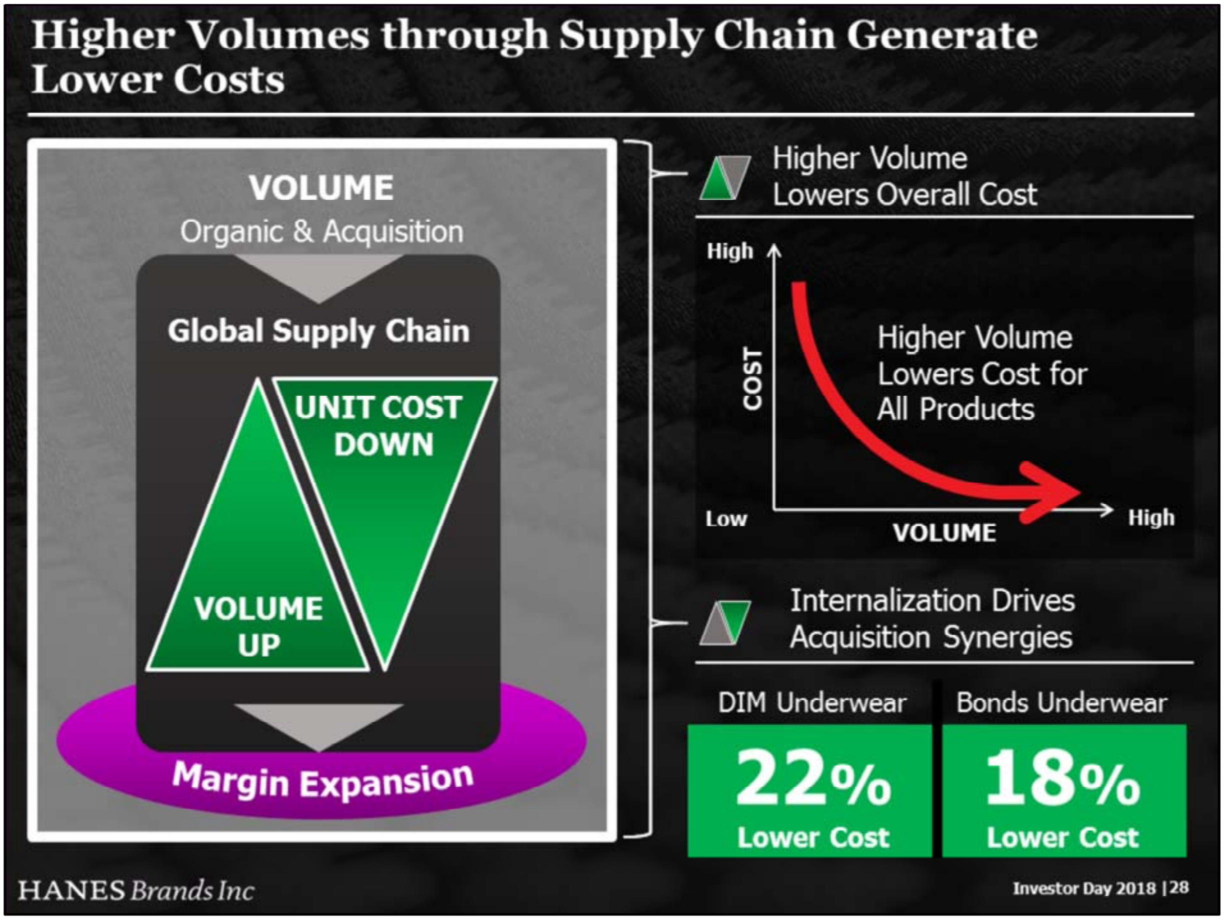
We do not chase the cheapest labor into areas that could risk our reputation, rather we make long-term investments in stable countries with attractive cost. And then operate large scale, highly efficient factories to achieve a sustainable low cost.



Though we have always been a leader in our industry, we continue to make great progress optimizing our operations and our performance metrics demonstrate the results. We have lowered manufacturing defects by 61% and our efficiencies have increased by 33%.

By operating bigger facilities and focusing on continuous improvement, we have increased output from our existing textile and sewing operations by nearly 90% over the last decade, without large capital investments.

Our core metrics have consistently improved over time and we are not finished. We have great momentum to continue the trend for many years to come.



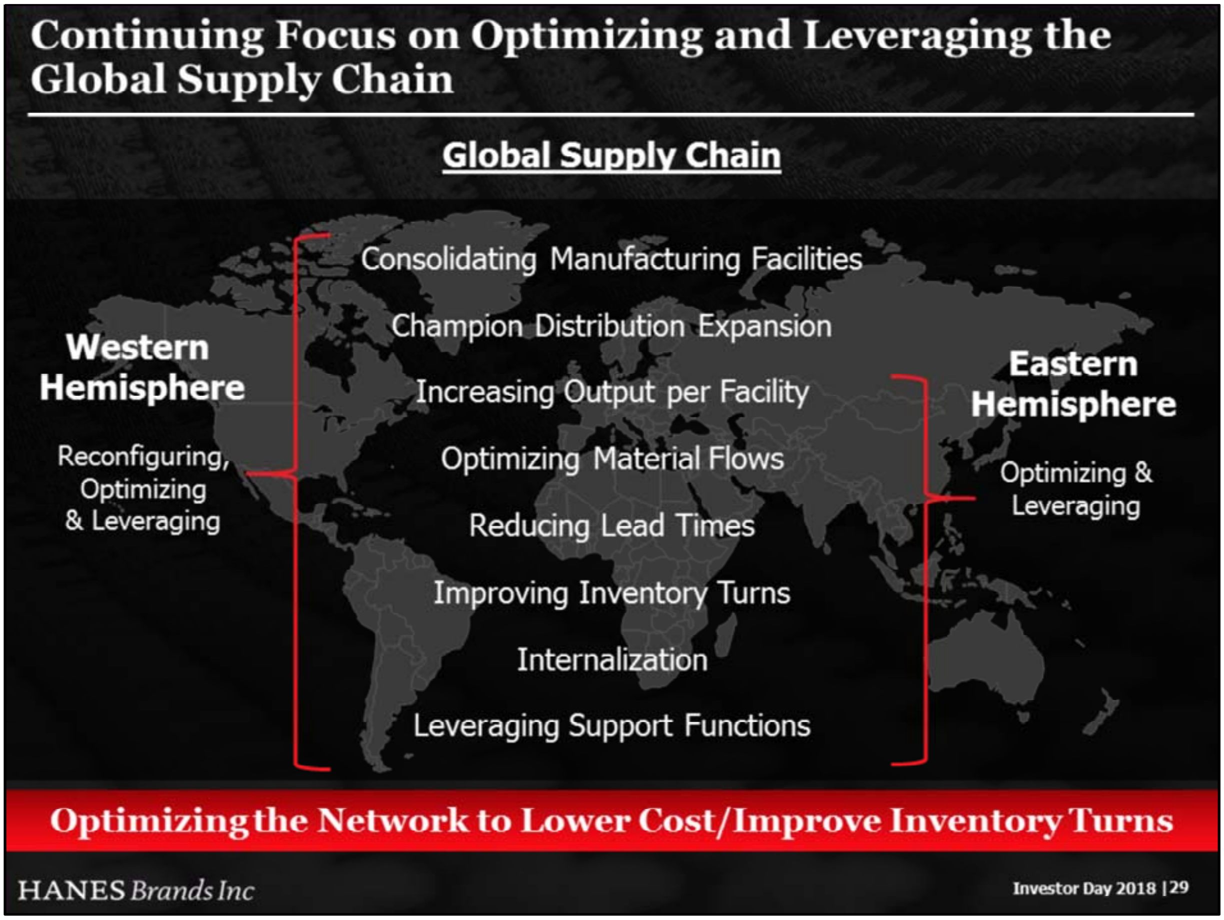
A few key drivers of our acquisition synergies have been to efficiently integrate companies with our disciplined project management process, leverage corporate purchasing scale and internalize production into our owned facilities.

Historically, these actions have lowered cost per unit between 15 to 20%.

For example, through internalization we lowered the cost of DIM underwear by 22% and Bonds Underwear by 18%. By connecting more commercial markets to the supply chain we are able to protect our brands and leverage our proven processes to expand margins of our acquisitions.

Additionally, this increased volume lowers overall network cost, benefiting all of the products in our network.

Our operating model is built to continue to create value well into the future

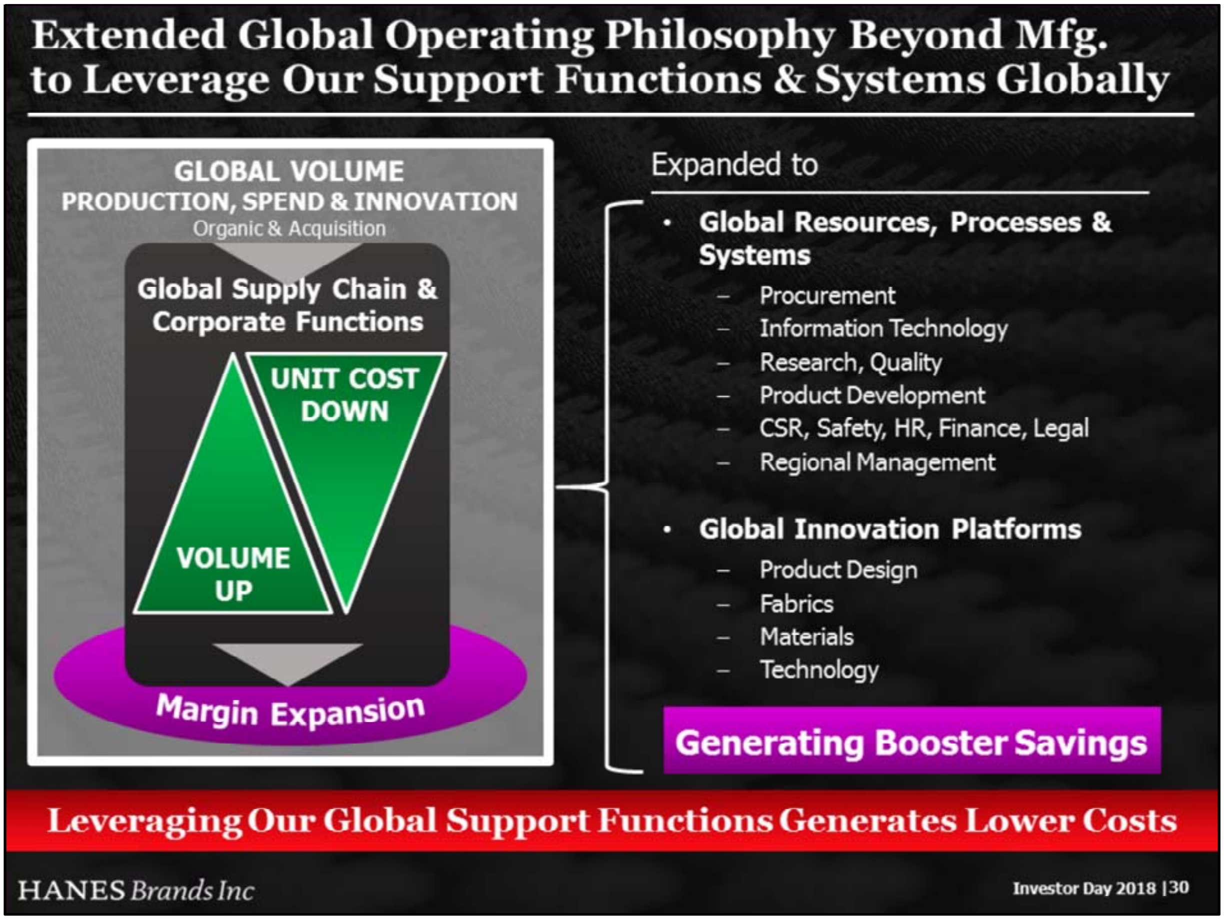


While the work in our Asian supply chain has recently been the most visible area of change, the Western Hemisphere has continued to perform extremely well. Years of continuous improvement will now allow us to make several network adjustments that will lower cost even further.

We will consolidate a few smaller facilities, shift some intimates products to Asia and expand Champion production in Central America. Additionally, the completion of a multiyear R&D project will implement new technology that will increase output from our Textile facilities, lowering our cost and move us closer to achieving our 2020 environmental goals.

In the U.S. our distribution network has been challenged with the rapid growth of the Champion business, resulting in higher-than-desired distribution cost. Currently actions are underway to rebalance Champion products in our distribution network and our cost will normalize in the second half.

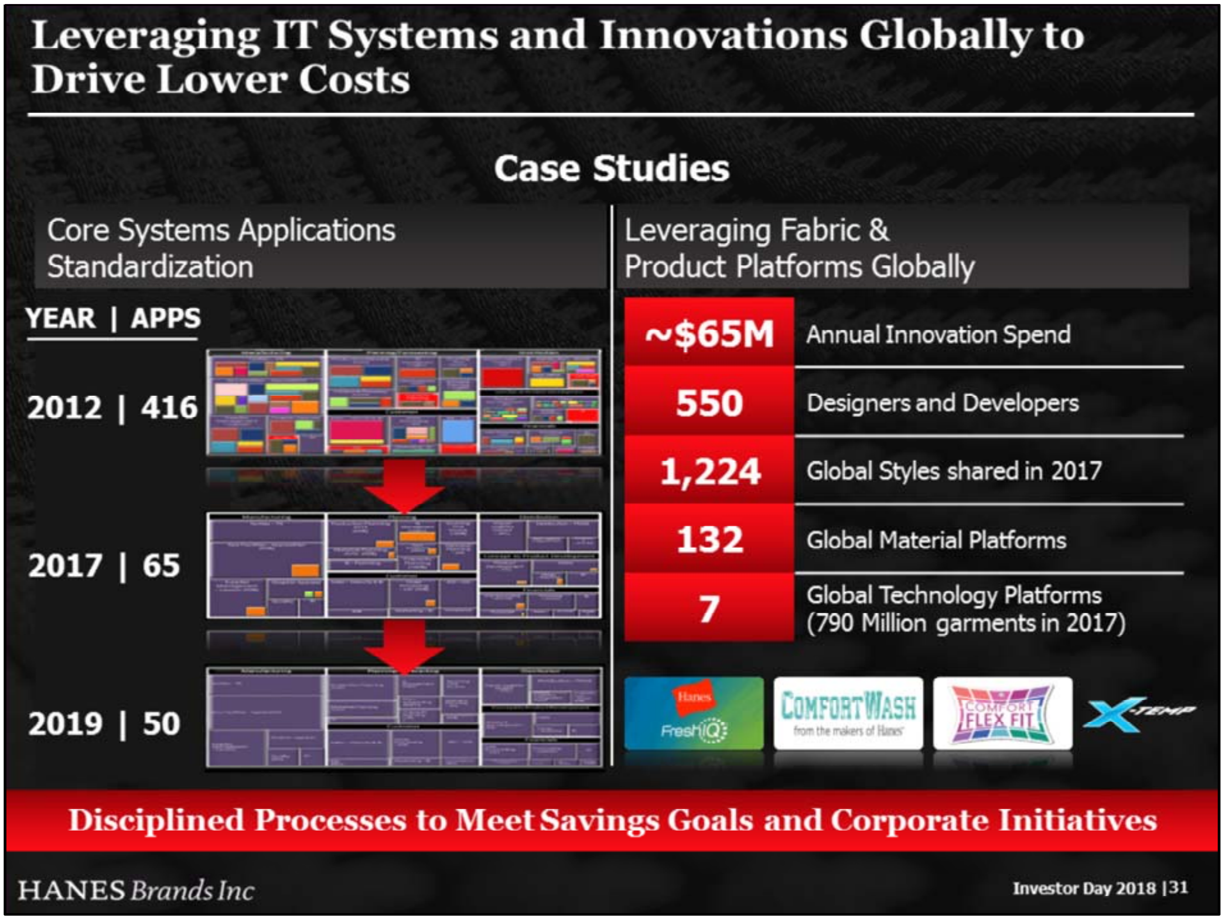
While we implement these actions in the Western Hemisphere. We will continue to work across the entire network to optimize our product flows, reduce lead times, improve inventory turns and continue to increase productivity. All lowering our cost and increasing cash flow from operations.



Just as the supply chain lowers cost, we have expanded the same philosophy to other corporate areas.

By putting more volume of corporate spend and business activity through our proven processes, we leverage our systems, facilities and functional areas across the company creating additional savings over and above acquisition savings and our normal productivity improvements.

These efforts have been a key driver of many of our Booster savings projects, along with other booster actions to reduce inventory levels and improve inventory turns. We have seen great progress and we are on track to reach our goals by 2020.



Let me give you a few specific examples of how we are leveraging other corporate functions: We have reduced core systems applications from 416 to 65 and we are on our way to 50 by 2019.

Leveraging core systems ensures robust cybersecurity, proper financial controls and provides global access to the supply chain, enabling faster acquisition integrations and lower operational cost. And, we are leveraging our global design capabilities, we spend over $65 million a year on innovation, with over 550 people positioned across the globe dedicated to product design and development.

With this process in place we a can share our developments globally to create scale that can be leveraged to make new product launches more efficient.

So far, we have already leveraged over 1,200 styles across the globe, established 132 common material platforms and have developed 7 technology platforms that were used in nearly 800 million products sold globally across all of our markets in 2017.

Our Supply Chain is an integral part of the innovate-to-elevate strategy. We keep the innovation pipeline full, through an established a network of universities, companies and individuals that keep us aware of emerging technologies. Once we see an idea that meets our consumer driven business need, we resource the project to bring it to market in a way that can be leveraged by all of our global brands.

One of the many ways that we support our brands is by being firmly committed to providing a safe and rewarding environment for every person that makes our products around the world.

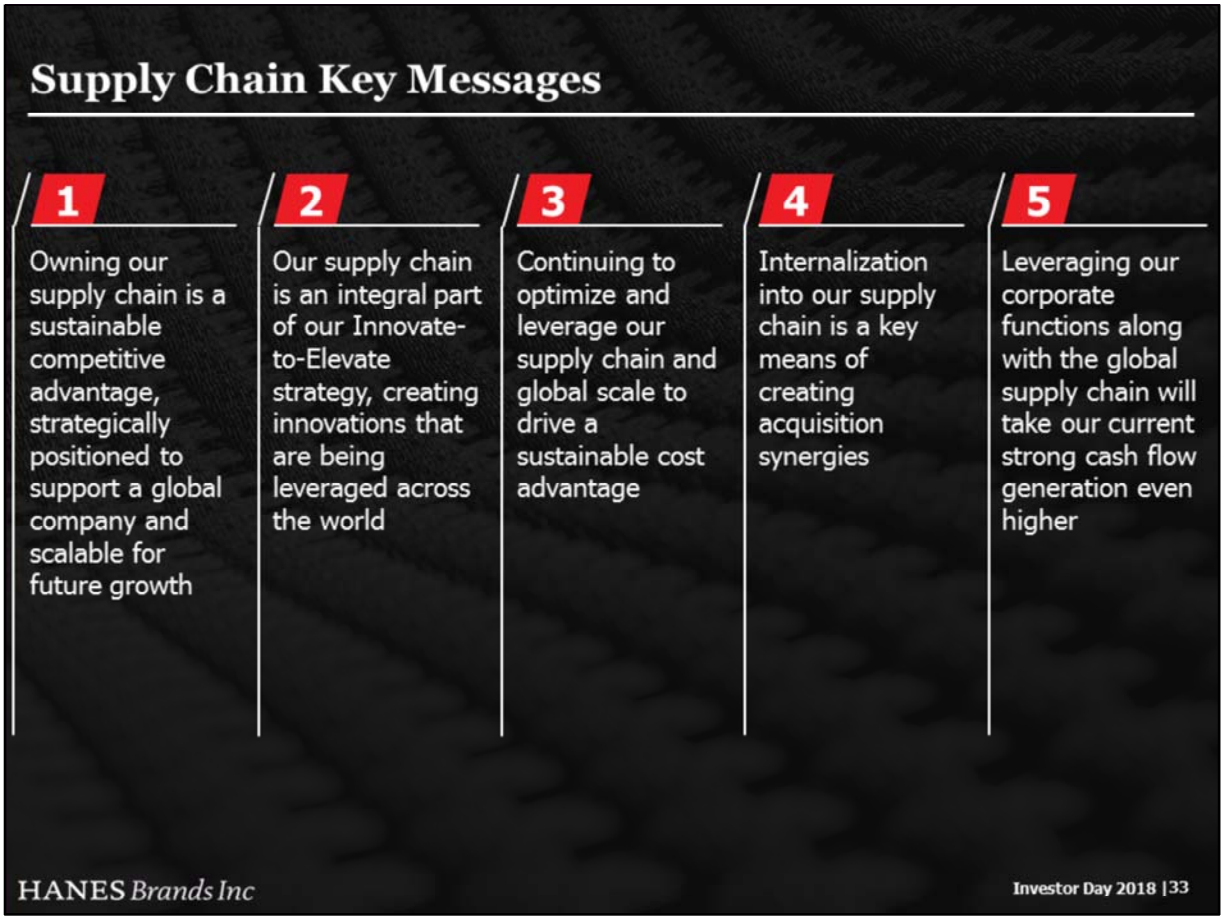
Our corporate social responsibility program extends well beyond labor to include safety, chemicals, community involvement and sustainability initiatives. And we have been a leader in this area for decades, pioneering many of the efforts in our sector.

For Example: We conducted nearly 700 audits last year alone, even though we own the vast majority of our supply chain.

We are very proud of our work in sustainability and energy management. We have reduced energy consumption by 21% and water by 30%. Our efforts in Landfill diversion have reached 84% of our 2020 goal to divert all of our process waste from reaching a landfill, and now 33% of our energy comes from renewable resources. These efforts have lowered our annual energy cost by over $25 million and there is much more improvement to come.

In recognition for our work, we have been named an Energy Star Partner of the Year for the last nine years in a row.

I am very proud of the entire team, for their tremendous accomplishments. We have made a positive impact on the environment, our company and in the communities in which we operate. Our customers, investors and consumers know that they can trust our brands.



In summary, owning our supply chain is a competitive advantage, it is scalable and positioned to support a global company. It operates as an integral part of our Innovate to elevate strategy. And, leveraging our corporate functions along with the Global Supply chain will take our current strong cash flow generation even higher.

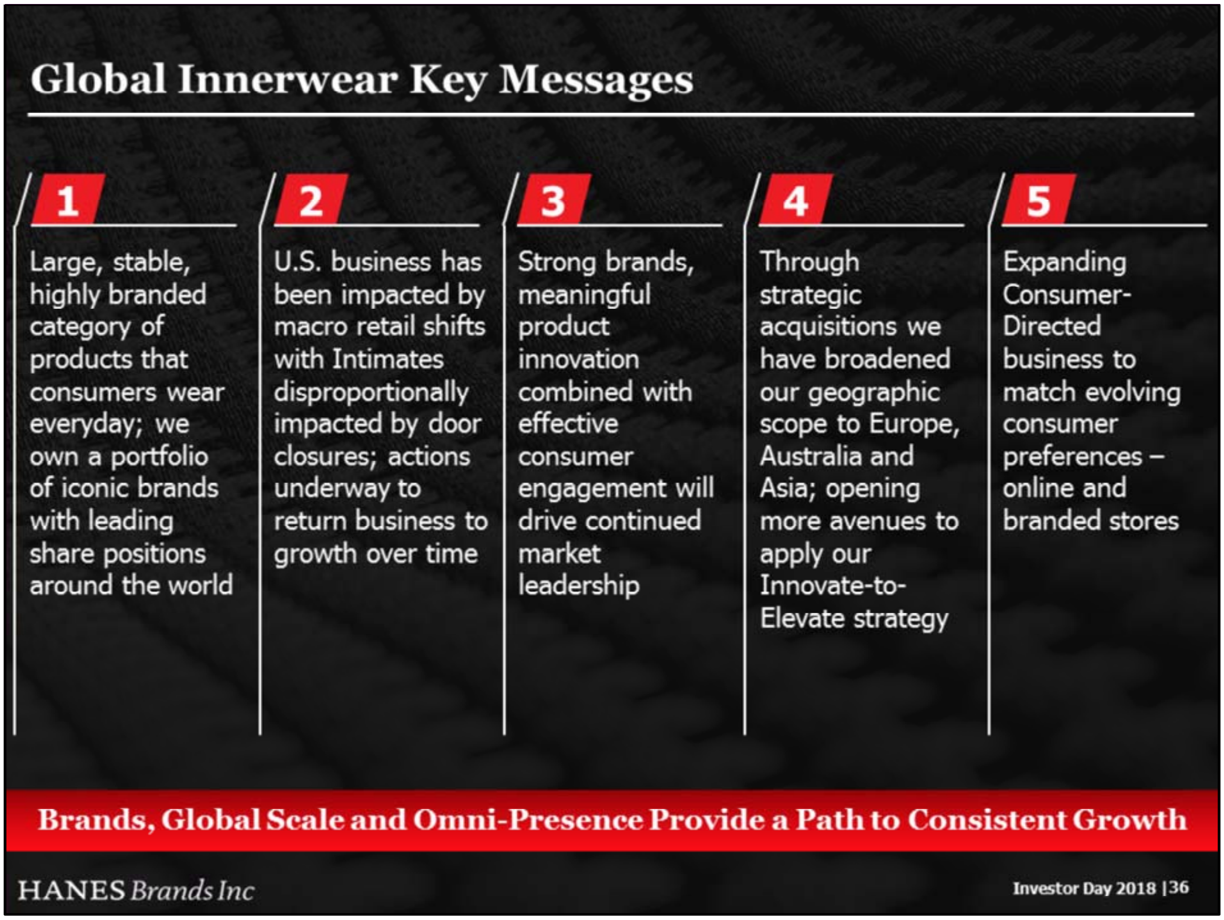
Thank you. After a short video, we will hear from Howard Upchurch, Group President: Innerwear Americas.

Global Innerwear Overview Video

Video Playing

HANES *Brands Inc*

Thanks, Mike. I am pleased to provide an overview of the global innerwear category and our strategies for growth.

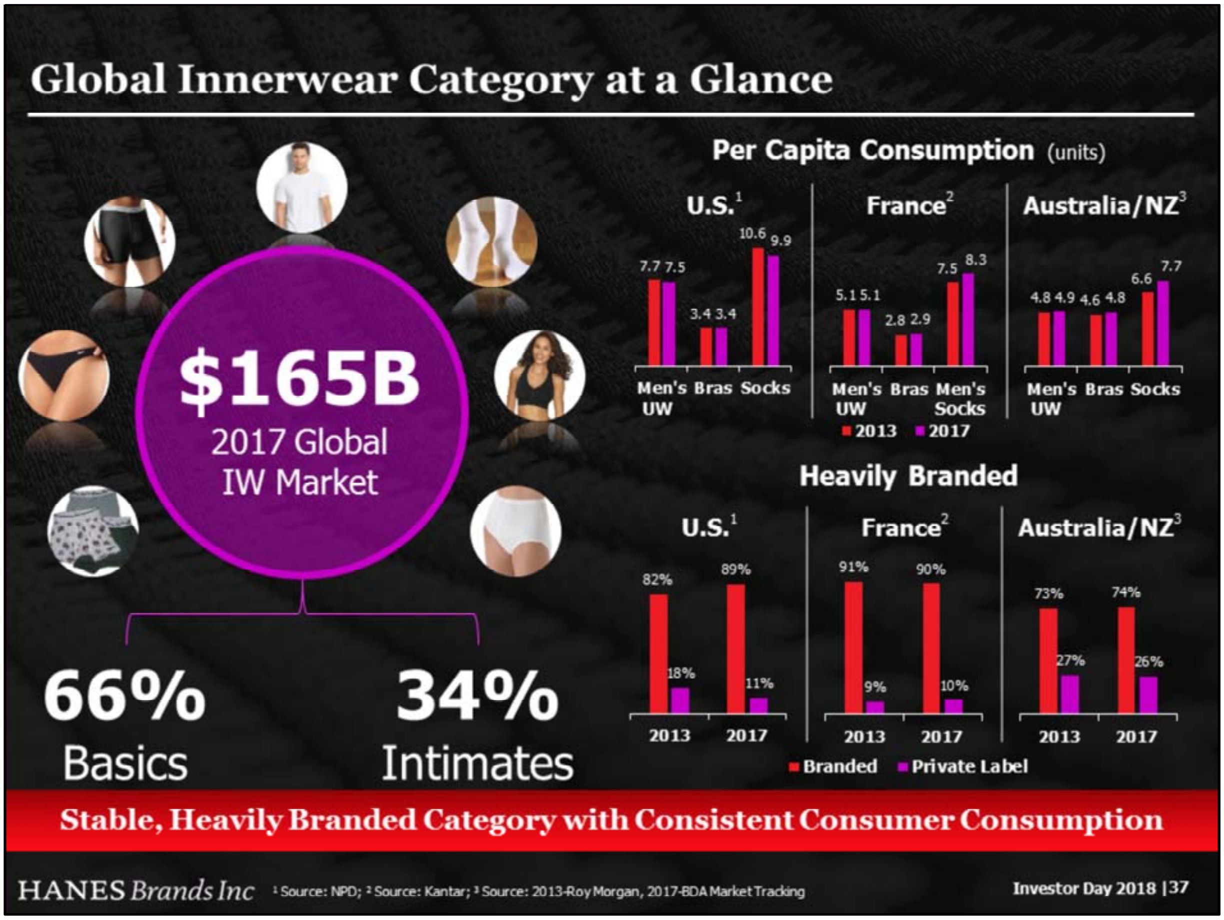


I will walk you through the characteristics of the category and HBI's position around the world.

Innerwear is heavily branded, and the consumer and market data show we have the best brands.

We have grown significantly beyond our U.S. base to include large businesses in Europe and Australia. But even with this global diversification, the U.S. business remains our largest and most profitable geography, one that has been challenged in recent years by retailer destocking and retail door closures. I will update you on the progress we have made with parts of this business to address recent changes in the retail landscape and provide additional perspective on our plans to stabilize other parts of this business and return to consistent growth.

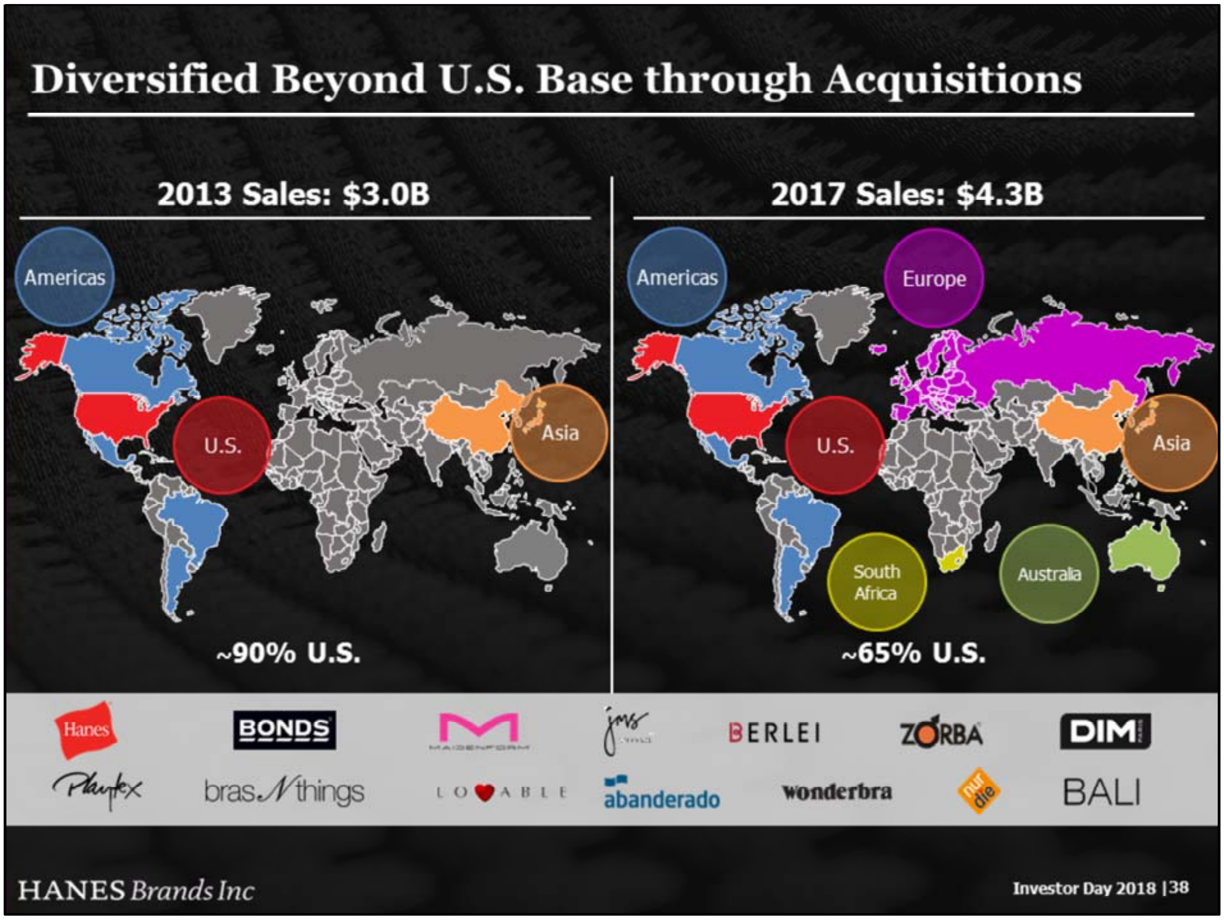
Finally, I will discuss the role of innovation in our business model, and how we lead the industry in our categories.



First, let's take a look at the category. Innerwear is apparel essentials that you wear close to the body and is the foundation for everyone's wardrobe daily. It's a large category - approximately $165 billion in retail sales globally. We group the categories as “Basics" which we defined as underwear, including women's panties and socks across the family, and “Intimates”, which is comprised of bras and shapewear, and “Hosiery”.

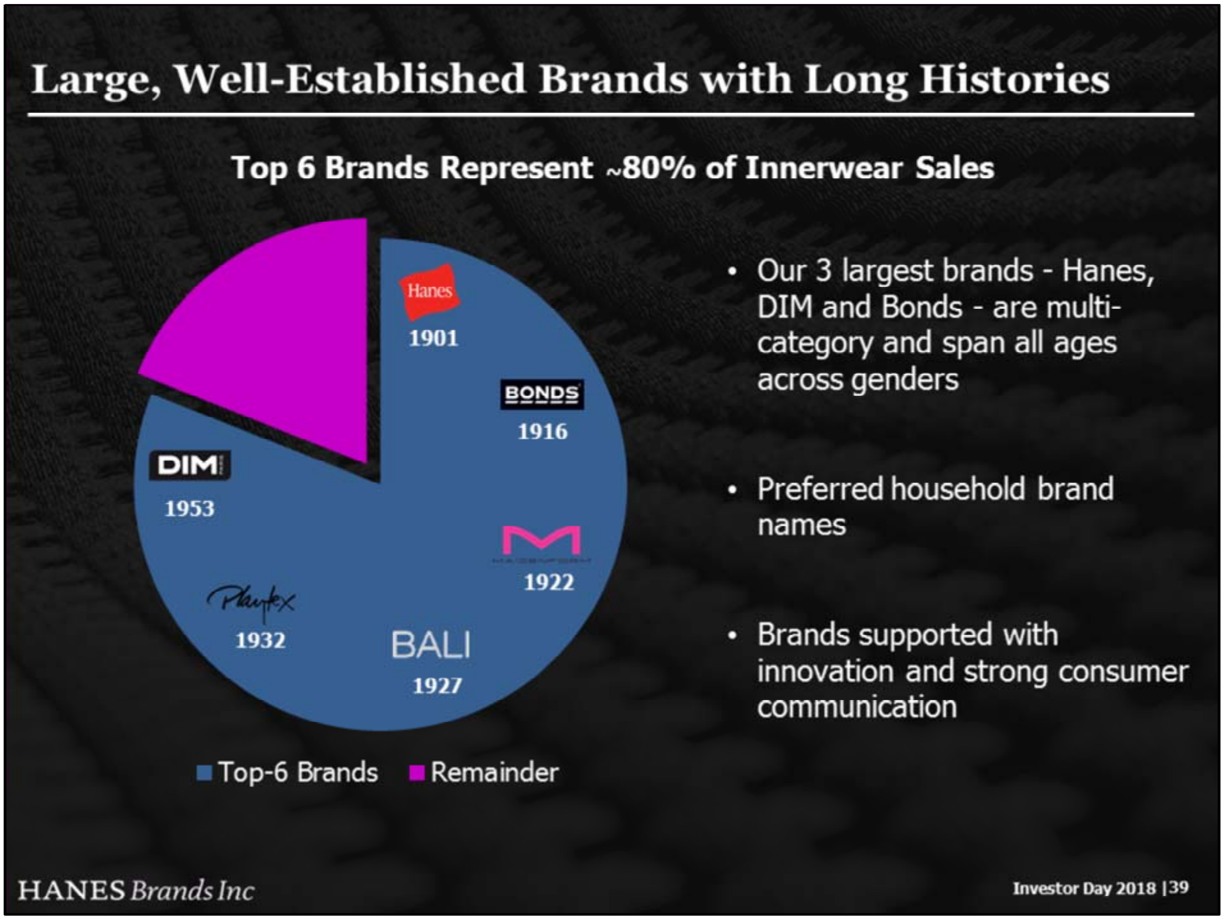
Because innerwear is worn daily, unit consumption is relatively consistent over time in our major markets. As a result, these categories are stable and generally grow with population over time.

And innerwear is branded. Brands continue to outperform private label as they consistently deliver on comfort, fit and quality - the key attributes consumers demand for products they wear every day.



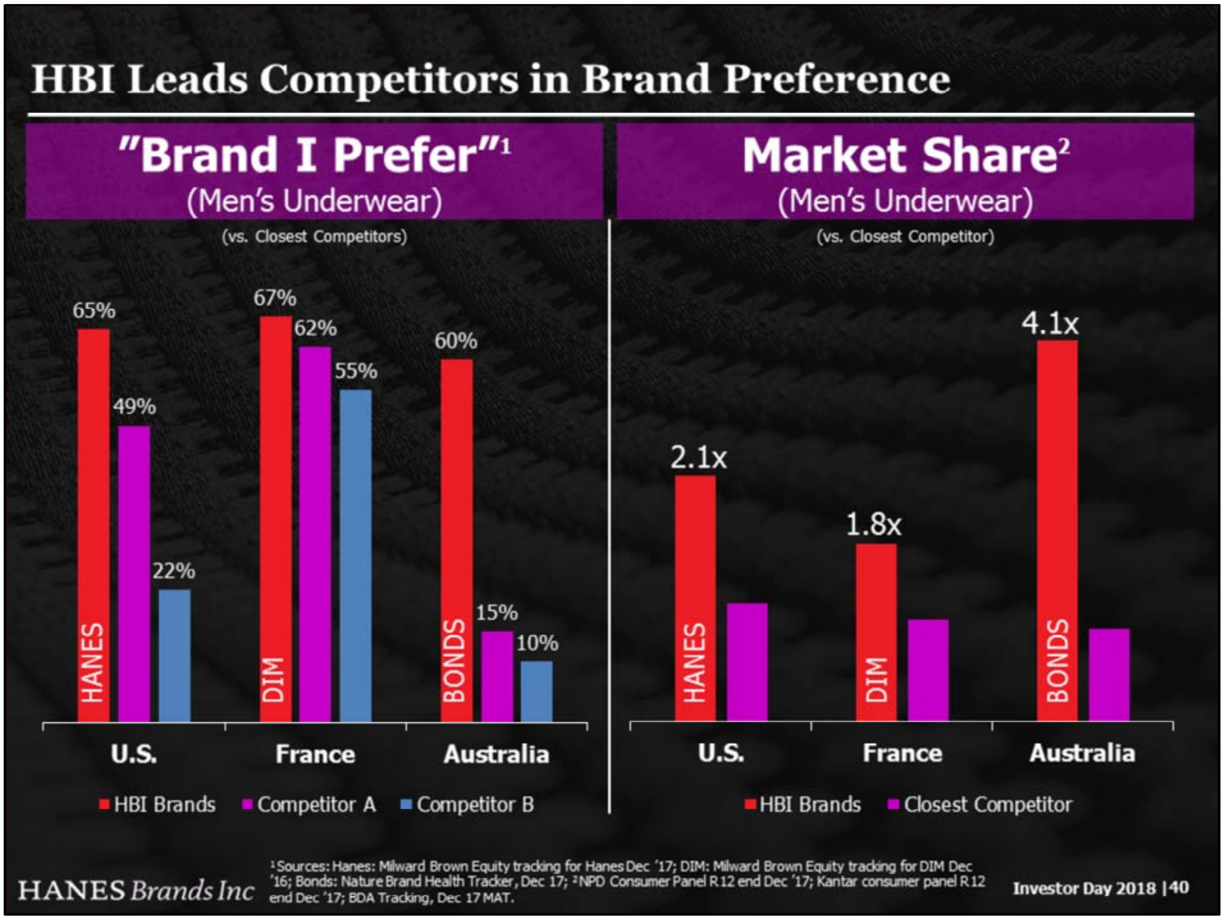
So let's take a look at the HBI innerwear business globally. If you were with us at our last investor day, you will remember the discussion was all about the U.S market. At that time, our global business was a little more than $3 billion, with around 90% coming from the U.S. In 2017, sales were $4.3 billion and a third were generated internationally. We are well established in Europe, with leading brands such as DIM in France, Nur Die in Germany, and Lovable in Italy.

Turning our attention down under, we acquired the iconic Bonds and Berlei brands, establishing our leadership position in Australia and New Zealand. And our most recent acquisition, Bras N Things, will build on our leading position in the intimates category.



So let me give you a few facts about our brands. Hanes, Bonds, DIM, Maidenform, Playtex and Bali are our six largest brands and represent 80% of our sales. The dates under the brand names are the years these brands were established. From Hanes in 1901 to our relatively "young" DIM brand founded in 1953, you can see these brands are well-established, and have prospered through multiple generational changes, and changes in shopping outlets and purchase behaviors.

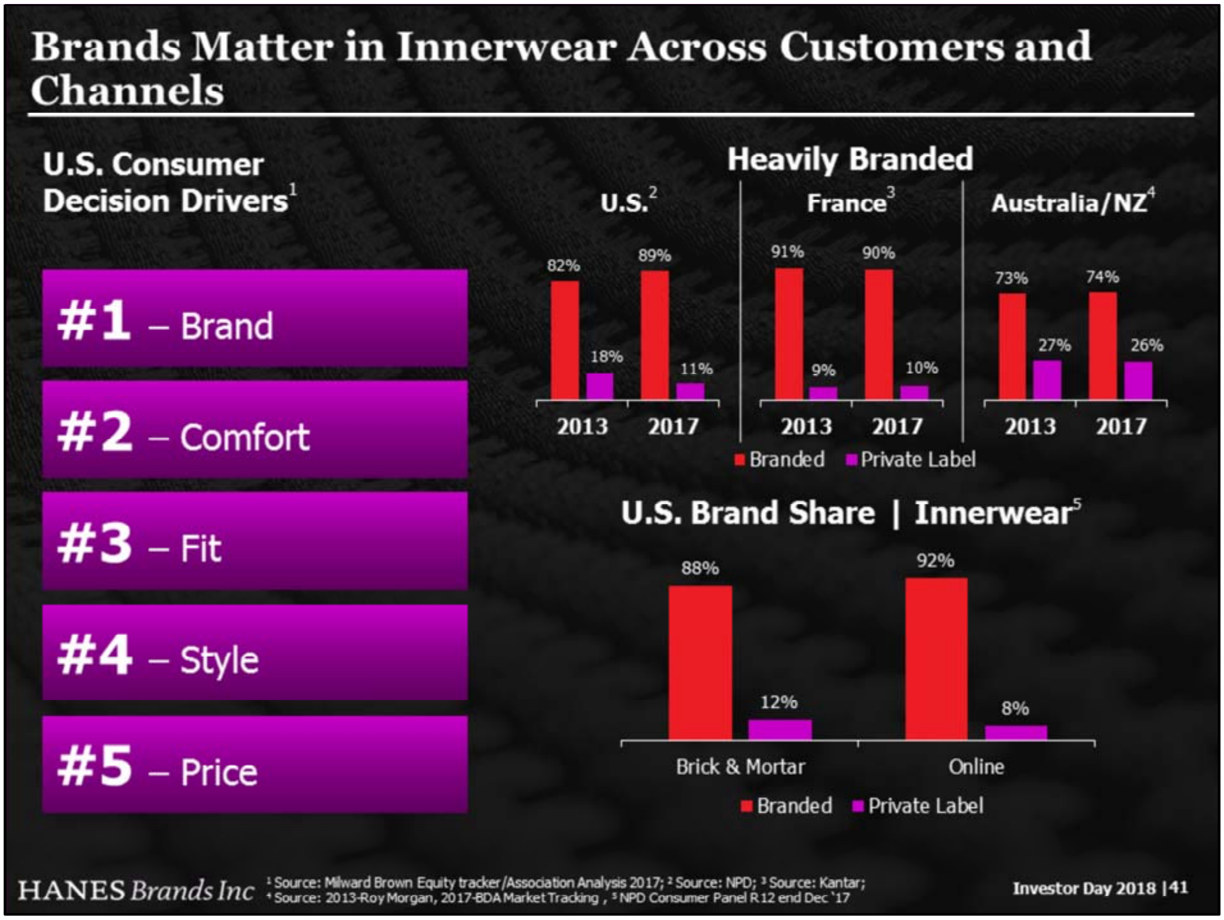
Our 3 largest brands, Hanes, DIM and Bonds are multi-category - we sell underwear, intimates, and socks under these brands. We call these brands spanner brands - their appeal spans across all ages and genders - these are brands for the whole family. These are consumer franchises built over decades with hundreds of millions of interactions with consumers. And these brands stand the test of time because we support them with great innovation and strong consumer communication.



We keep track of how our consumers perceive our brands. We track brand equity measures around the world, so we have a very robust understanding of our brands and our competitors.

This chart shows the men's underwear category brand preference for Hanes, DIM and Bonds in their respective markets. As you can see, our brands are strong, and strong brand preference leads to winning market share.

On the right side of the chart, you can see our men's underwear market share relative to the next biggest competitor. Hanes share is over 2 times as large as the number 2 competitor, while DIM is 1.8 times and Bonds 4 times as large.

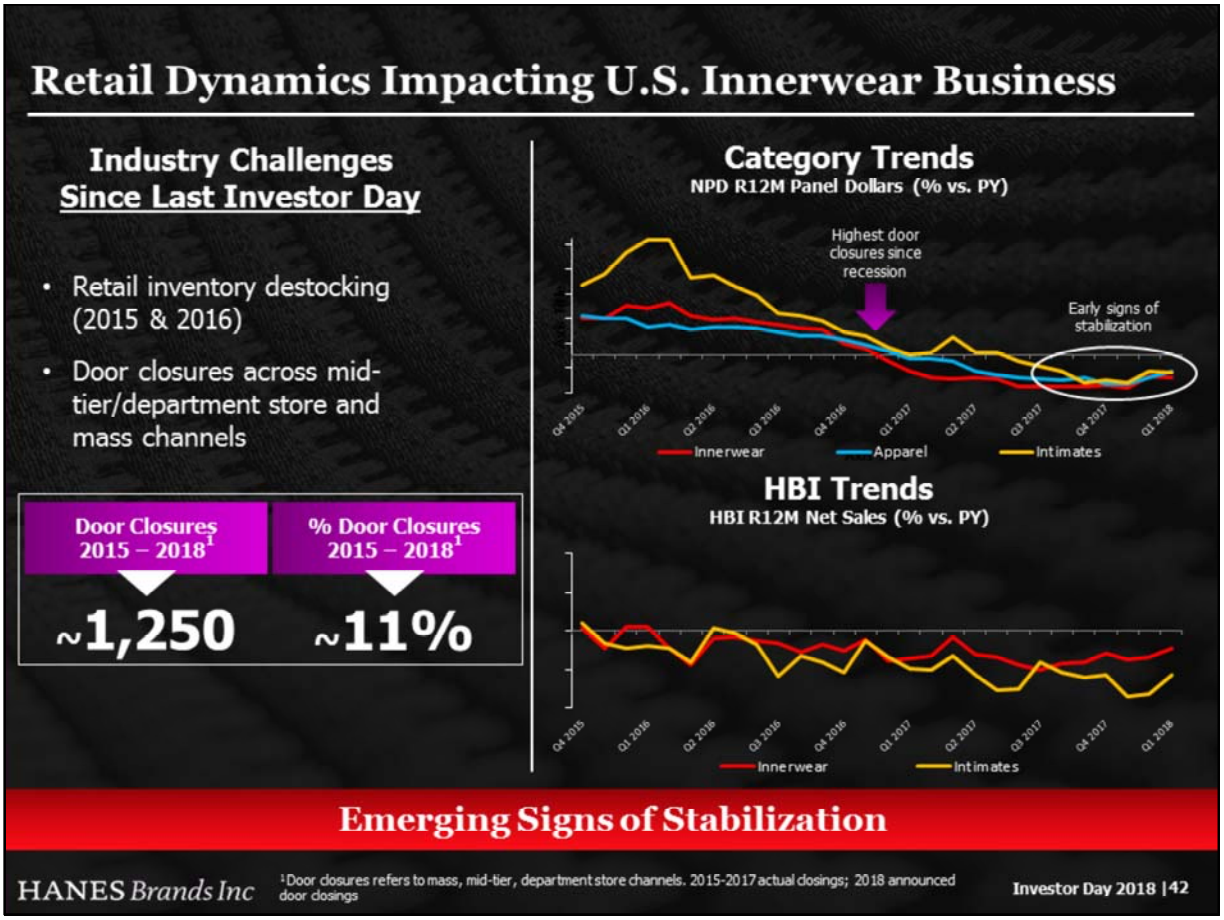


So why are we the market share leaders? It's because brands matter in innerwear. When you ask consumers to explain their decision tree on how they make purchase decisions, brand is number one followed by comfort, fit, and style. Price comes in fifth.

As a result, the category is very branded and consumers remain loyal to their favorite brands. Branded market share remains steady around 90% in France, while branded share of the market has increased in the past few years in the US and Australia.

I often get the question, what about private label online? Won't the dynamics be different? And the answer is no. In the US, on line brand share of innerwear is actually higher than in brick and mortar stores, with over 92% being branded.

As we have seen over time, the branded nature of this category gives us pricing power to offset inflation. We have begun communicating 2019 pricing actions to cover recent inflation in input costs.

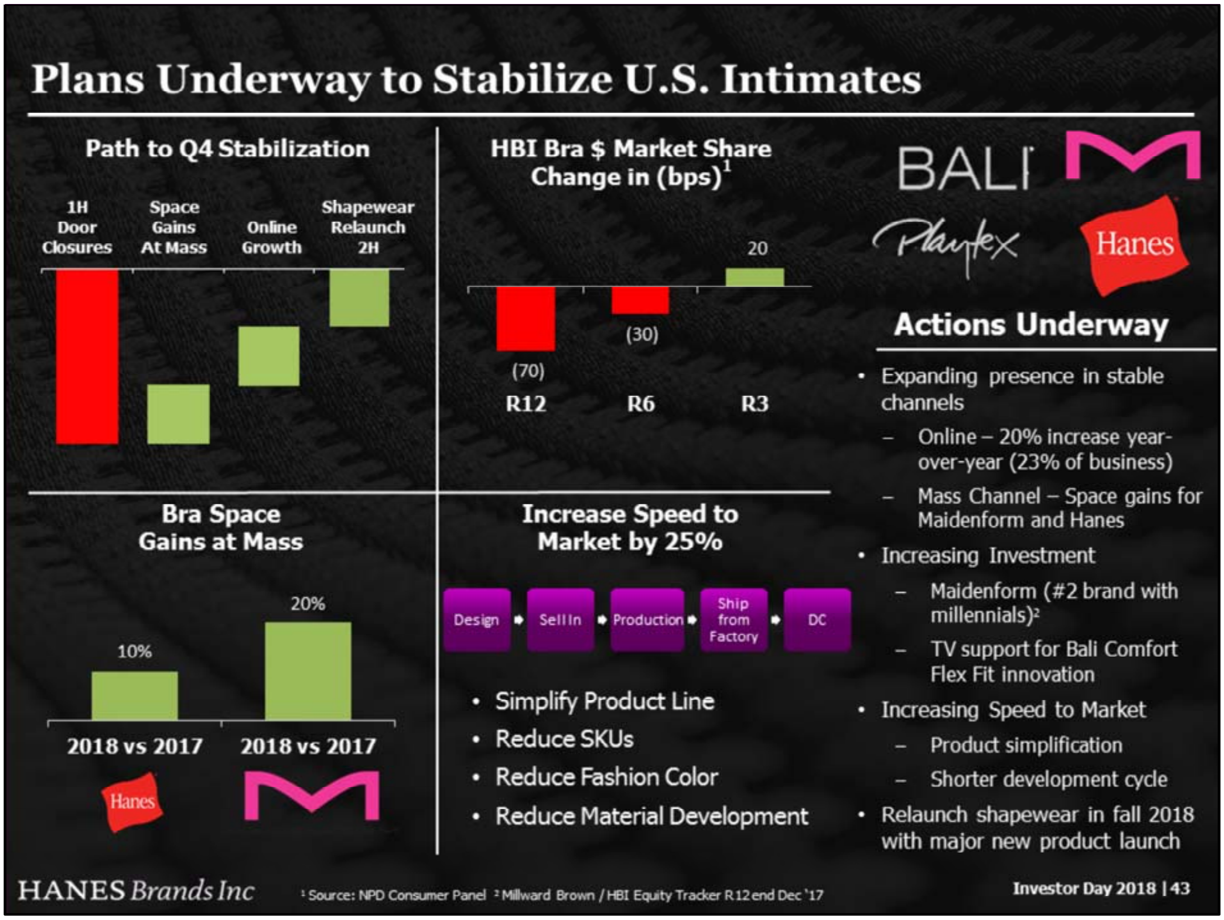


So let me take a few minutes to address the U.S. innerwear business, as I know there are questions on what's driving the recent softness. Since our last investor day, there have been major changes in the retail industry. We have seen significant reductions in retail inventory or "destocking", particularly with a major customer in the mass channel.

Also, there have been a significant number of door closures in the mid-tier/ department store channel as well as with a large retailer in the mass channel. Since 2015, over 1,250 door closures have been announced with the vast majority occurring in 2017. This represents approximately 11% reduction of selling doors in these channels.

This retail disruption has impacted the apparel category, including Innerwear. The graph charts category sales trends of total apparel (in blue), total innerwear (in red), and intimates (in yellow). In the fall of 2016, total apparel sales turned negative with innerwear following the same trajectory. We have begun to see stabilization in the category, with Basics recovering first and, more recently, improvement in the Intimates category.

HBI innerwear sales have trended with the category with Basics improving as retail inventories stabilize and the destocking impact abates. For Intimates, the door closures have a larger impact as our business is more highly penetrated with these customers. However, we see early signs of stabilization, and we are executing plans to improve business performance.



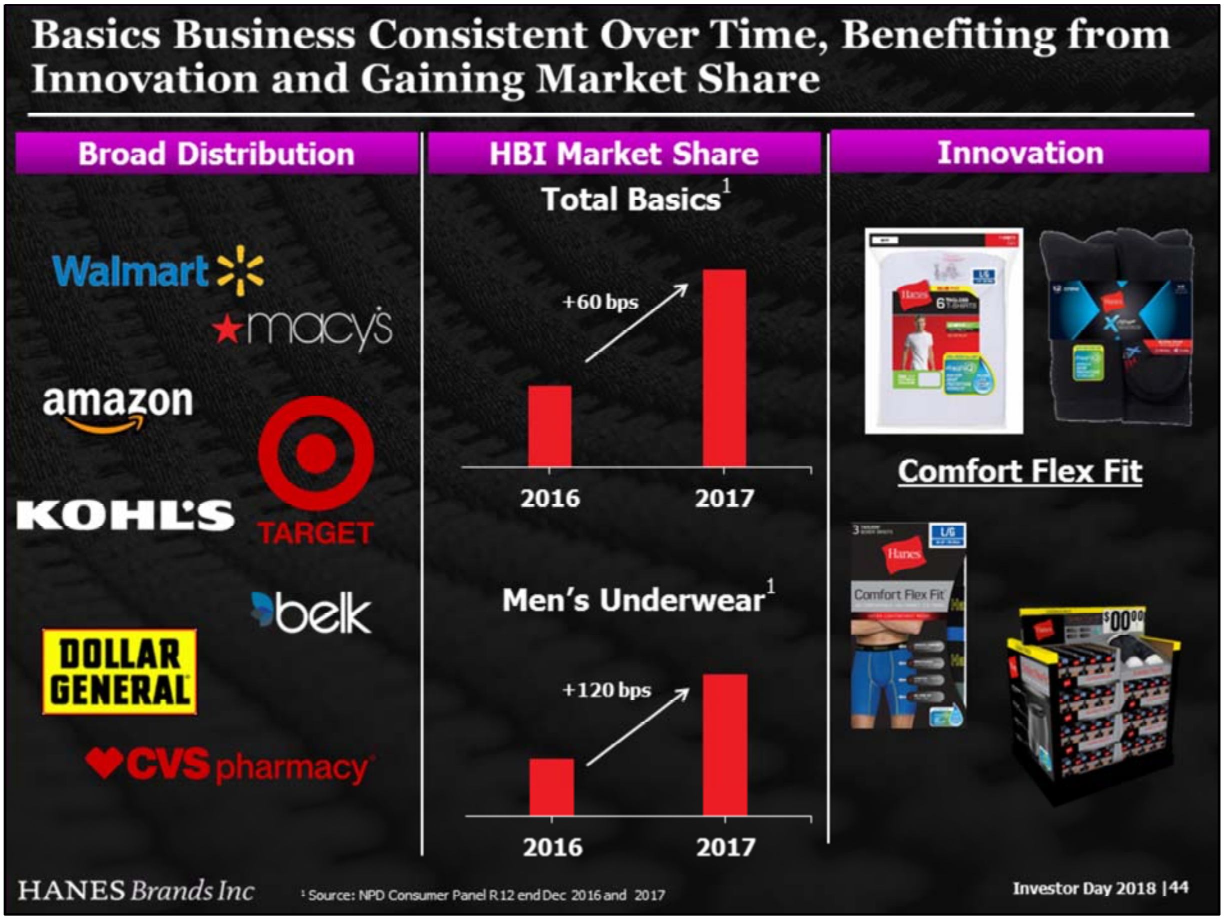
So let's talk about our intimates business and the actions underway. We have four major brands - Bali, Maidenform, Playtex and Hanes. These well-established brands are distinctly positioned and have broad consumer appeal. Looking forward, we see a path to stabilization by the 4th quarter. While door closures and inventory reductions are a headwind in the 1st half, we see the impact diminishing through the 2nd half.

Our initial actions have been centered around the bra category. Our bra market share has stabilized and increased in the recent 3-month reporting period. Initiatives are underway to build our presence online and in the mass channel. Our online position is strong - over 23% of our business is online and sales grew 20% last year. This spring, we expanded Maidenform and Hanes bra space in our key mass customers, which is generating point of sale improvement.

The Maidenform brand is the second most preferred brand among millennials, and we will increase our investment behind this brand, while also supporting our Bali Comfort Flex Fit innovation with TV advertising. This fall, we will relaunch Maidenform shapewear, with exciting new innovation across the product line.

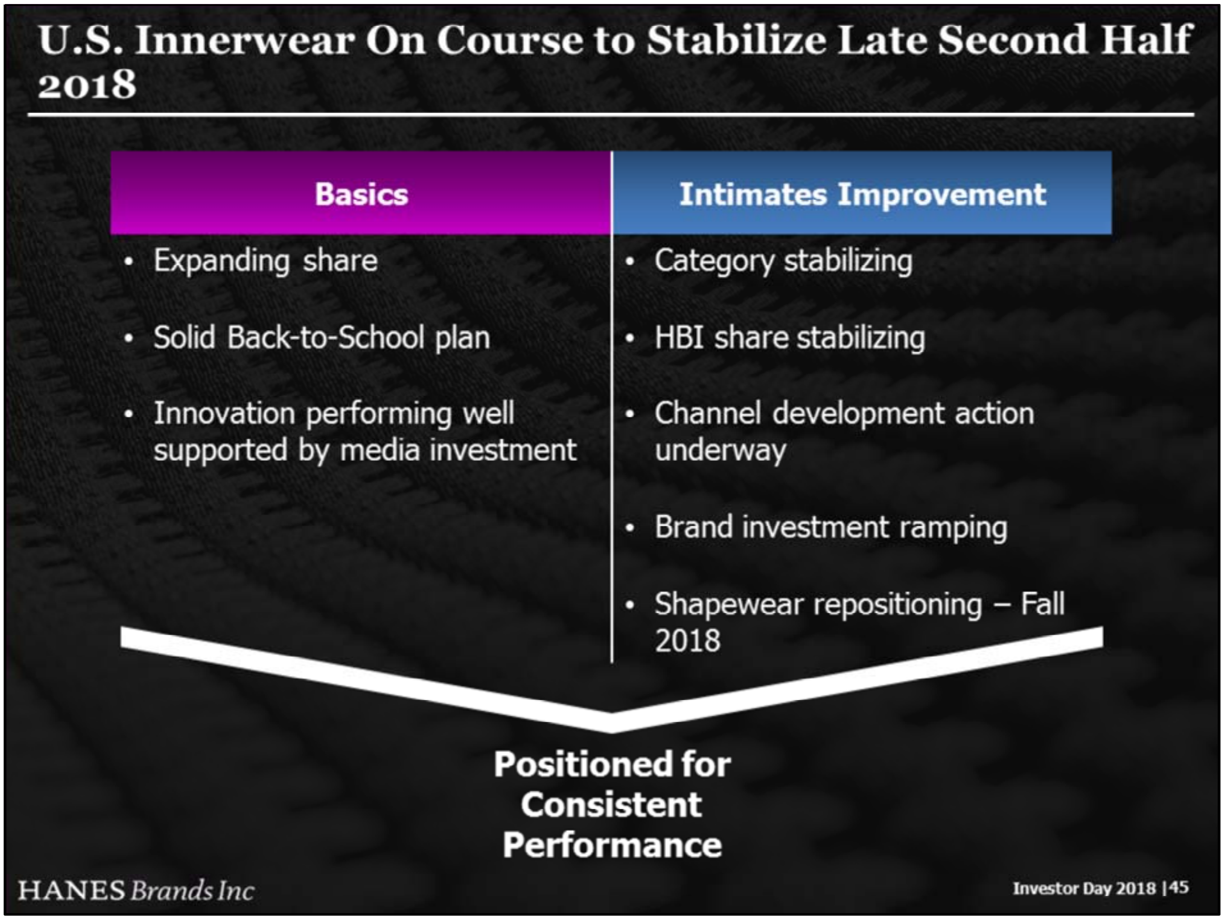
Finally, we are changing our design and development process to bring new products to market more quickly. Our speed to market initiative will shorten our development cycle by 25%. And we will improve efficiency through the reduction of SKU's and materials.

We believe these actions will stabilize the business by the 4th quarter and put us on a solid path for the future.



Now let's turn to Basics. Our Basics market position remains strong. We have broad distribution across all classes of trade, including on-line. The impact of retail inventory destocking is diminishing, and we are seeing market share increases across total Basics, including our large men's underwear business, which grew share 120 basis points in 2017. We continue to see success with innovation platforms, such as X-Temp and Fresh IQ odor control, which are driving share growth in socks as well as in underwear.

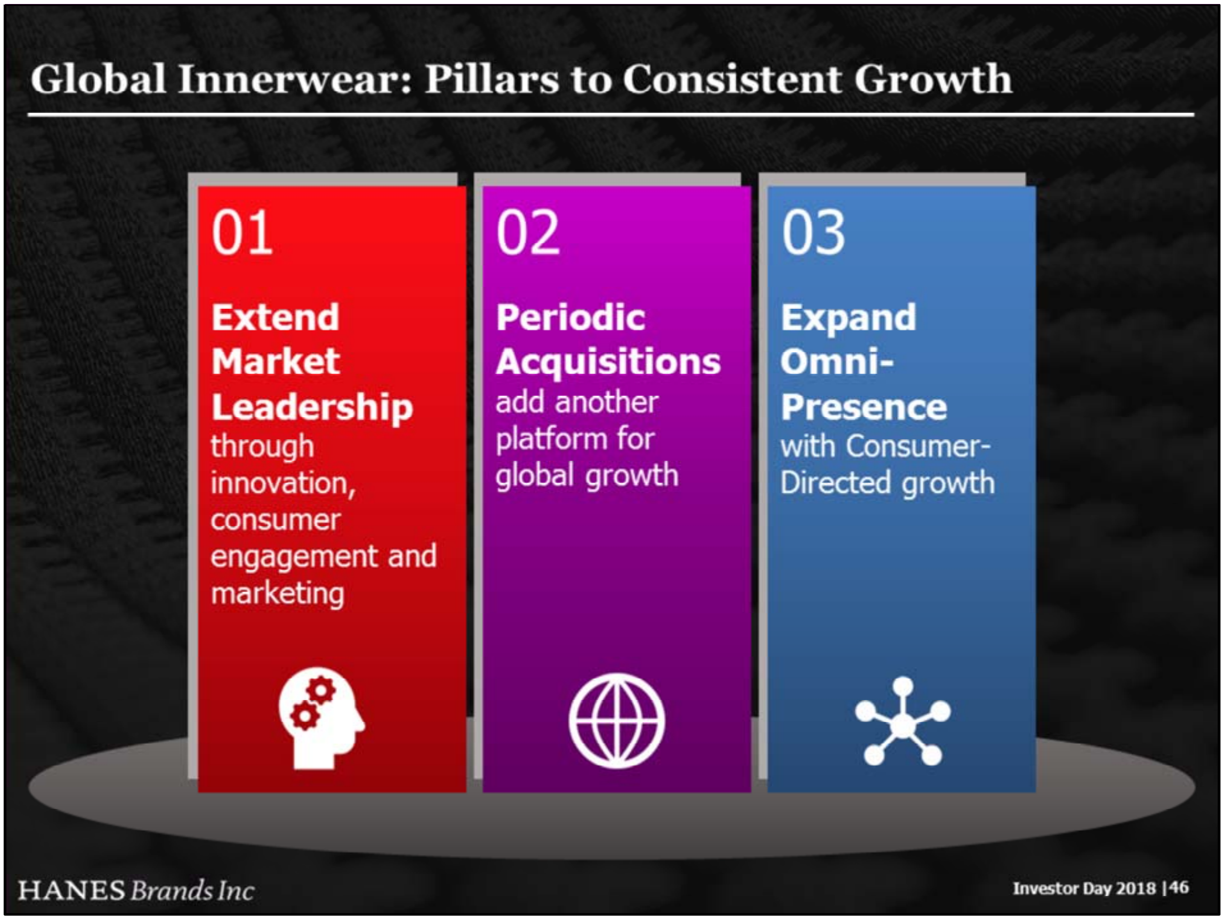
Hanes Comfort Flex Fit men's boxer briefs is our newest innovation launching this spring across all our major customers. We are excited that Comfort Flex Fit was rated number 1 in a recent Wall Street Journal survey of men's underwear. And for those of you from New York, you can now pick up Hanes Comfort Flex Fit at Macy's with our new distribution in the Herald Square store. Boxer briefs is the largest portion of the men's underwear market, and we are supporting this launch with strong consumer communication, including TV that began during March Madness, and a digital and social campaign to "Vouch for The Pouch" with Hanes.



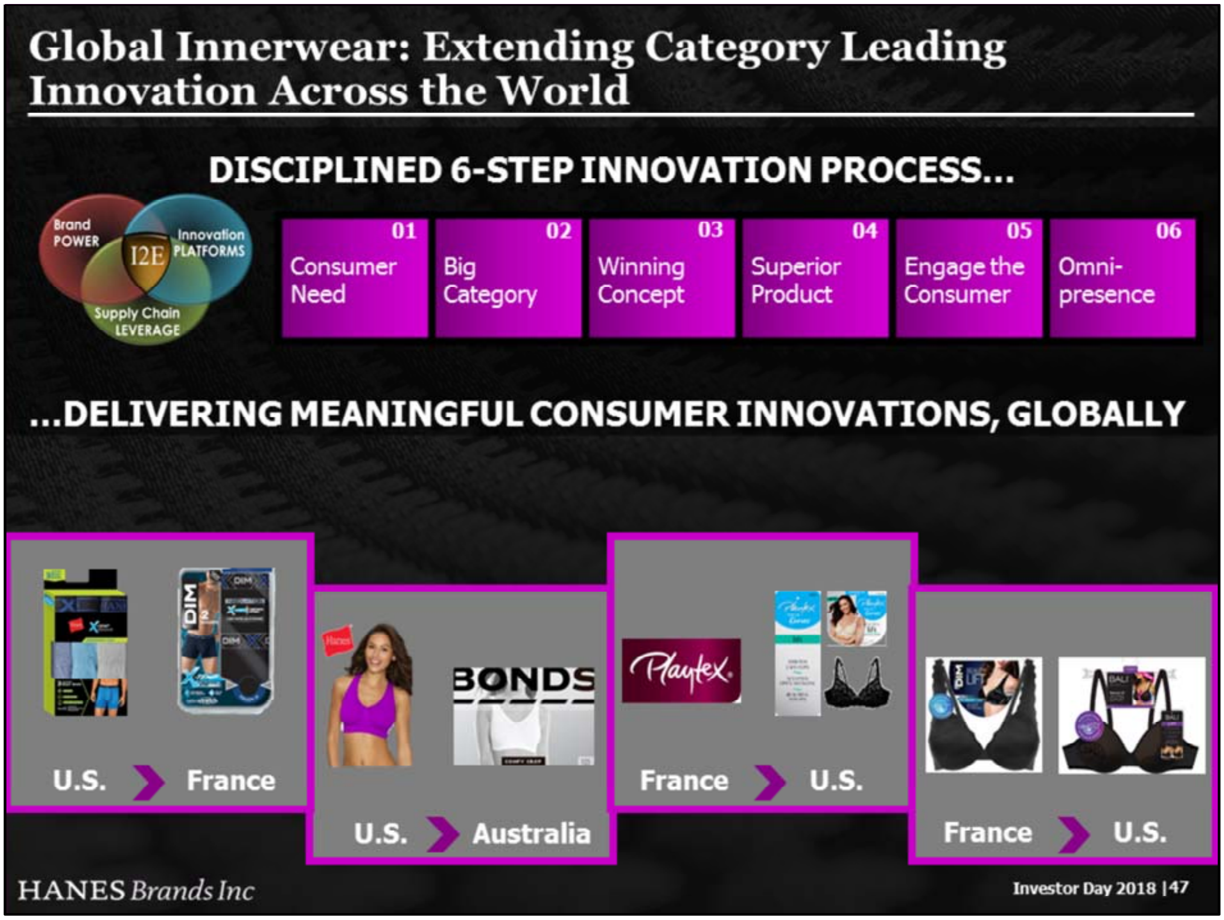
In summary, the U.S. business is improving, lifted by Basics while intimates begins to stabilize. In Basics, we have solid back to school plans in place, our innovation continues to perform well, and we are growing share.

The Intimates category is showing early signs of stabilization, and we are beginning to see our market share increase as our action plans in the bra category continue to take hold. We continue to develop our business across channels, and we are ramping our marketing investment behind key innovation. We will relaunch Maidenform shapewear this fall to improve performance in this key category.

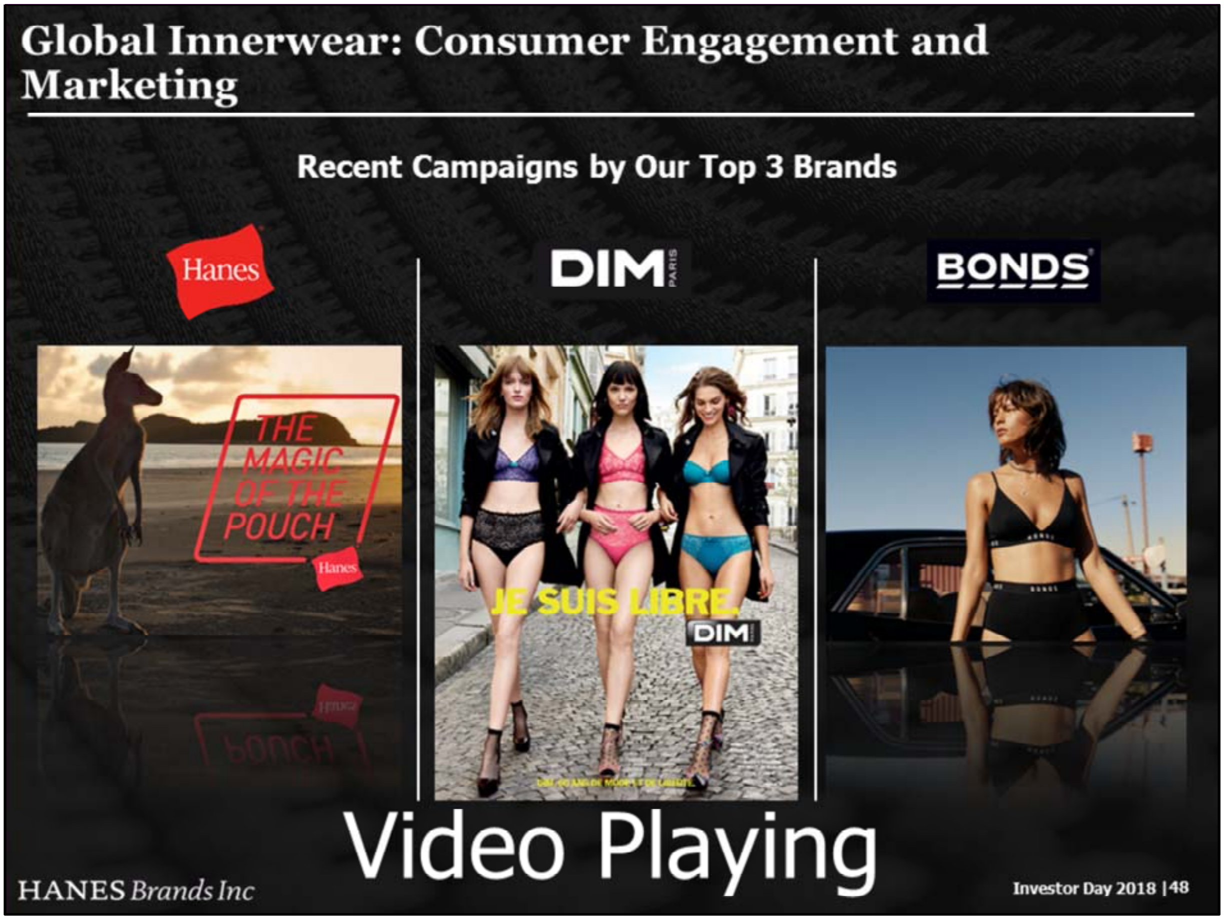
So, we feel good that innerwear is positioned for more consistent performance over time.



Now let's turn back to a global perspective. There are 3 pillars for success for the HBI global innerwear business - 1) extend market leadership through innovation and consumer engagement, 2) expand globally through acquisitions, and 3) expand omni-channel. I will discuss our actions in innovation and consumer engagement, then Francois Riston will address global acquisition opportunities, and David Bortolussi will walk you through our omni-channel initiatives around the world.

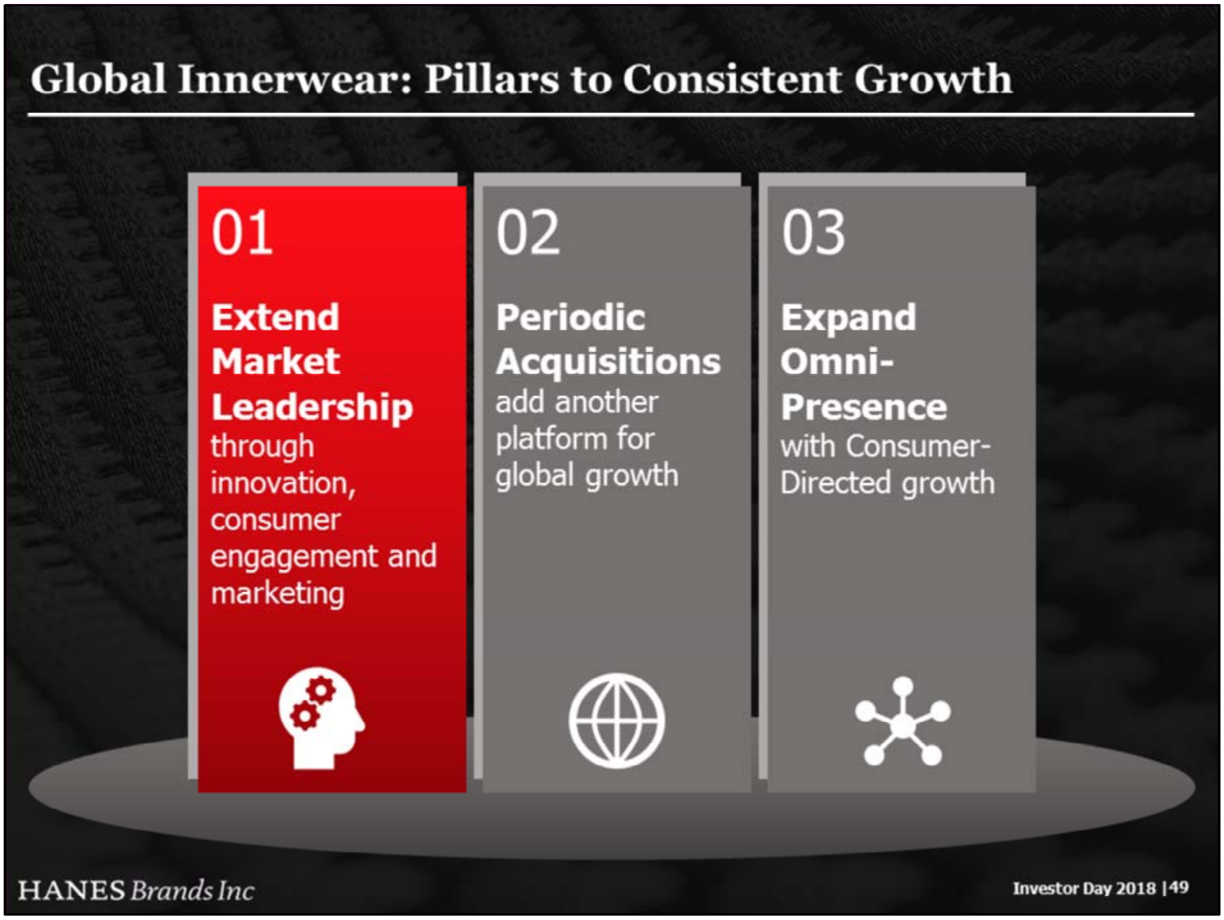


Key to extending our market leadership is building on our long history of innovation. We follow a disciplined approach to innovation - a 6-step process that fuels our innovate to elevate strategy. Through this process, we build meaningful consumer innovations that can be carried across brands and categories. We are globalizing innovation - leveraging new products around the world. On the slide you see several examples of innovations that are being adopted across brands and geographies. For example, X-Temp, our proprietary temperature regulating technology in the U.S, has been successfully incorporated into DIM in France. In Intimates, we are introducing European intimates designs in our U.S Bali and Playtex brands. For those of you staying for the breakout sessions, you will have the chance to see these products and hear more from additional members of the management team.



And once we find innovation, we engage with the consumer to tell our story. We invest behind our brands with both traditional and digital media. Let's take a look at our recent campaigns for Hanes, DIM, and Bonds.

Very effective and impactful spots, wouldn't you agree?

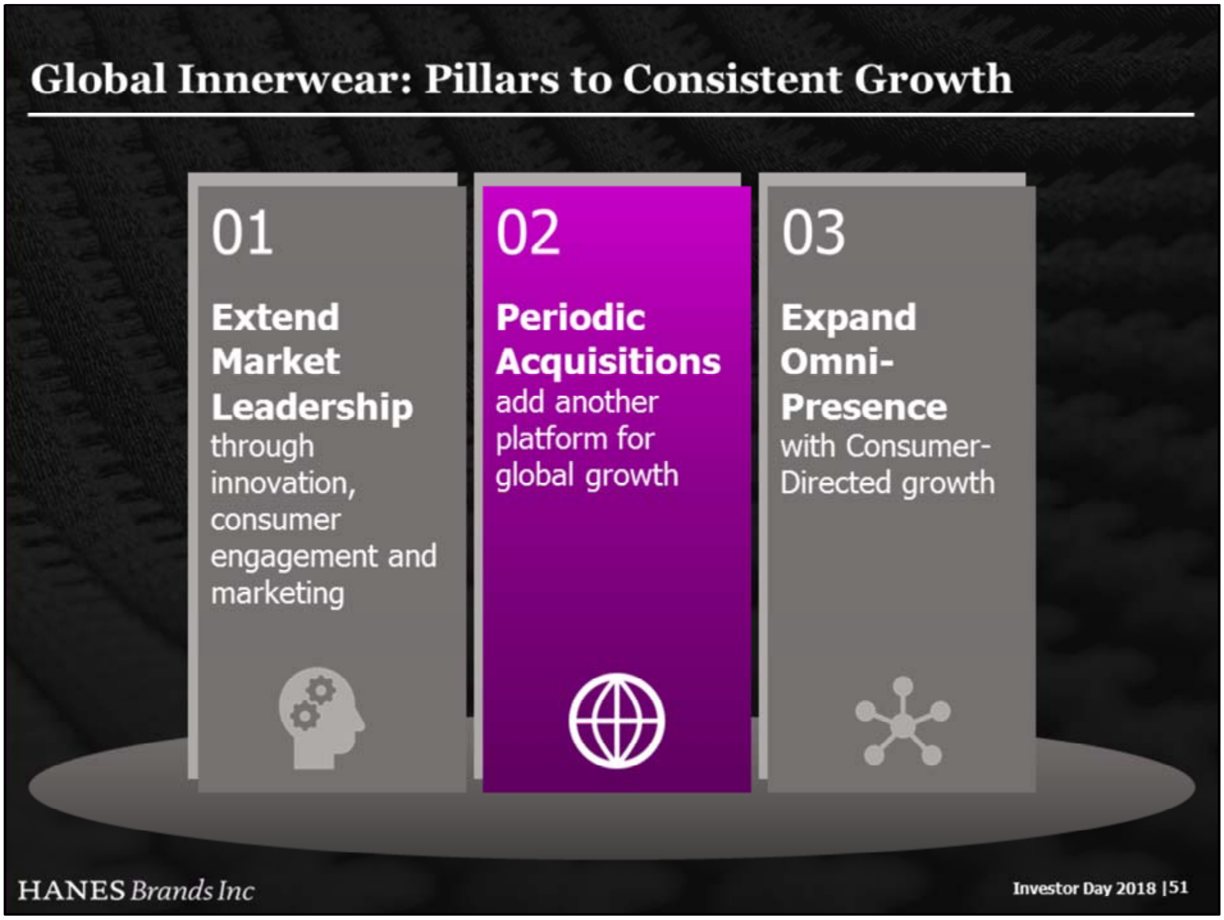


To summarize, our first pillar for success globally centers around innovation and consumer engagement. Around the world, we are the brand leaders in categories where brands matter. We have a proven innovation track record and are leveraging globally.

I am pleased to introduce Francois Riston, the President of Hanes Europe, who will discuss the second pillar for growth - acquisitions.

Thank you Howard. Good morning Ladies and Gentlemen, I'm very happy to present you our acquisition strategy and track record.

My name is Francois Riston and I am in charge of Hanes Europe Innerwear.



As Howard referenced, we have 3 strategic pillars to grow the HBI global innerwear business:

First, extend market leadership organically

Second, expand globally through acquisitions

and third, expand omni-presence.

I will address our acquisition strategy.

Leading Market Positions in Key Regions & Categories

PRODUCT	U.S.	Europe FR	Europe GER	Europe SP	Europe ITALY	Australia	Rest of World
Men's Underwear	#1	#1		#1	#3	#1	#1 / #2 (Mexico, Philippines / Brazil, Canada)
Intimate Apparel	#2	#2		#2	#2	#1	#2 (Canada)
Women's Underwear	#2	#2				#1	
Bras	#2	#2				#1	#3 (Mexico)
Kids' Underwear	#1					#1	
T-shirts	#1						
Hosiery	#1	#1	#1			#1	
Socks	#1	#3	#2			#1	
Global Market: $165B[1]	$22B	$29B (EU Top4: $13B)				$2B	$112B

Large Fragmented Market Represents Opportunities for Growth

HANES *Brands Inc*

Sources: US & Canada: NPD 12ME Dec 2017; Mexico: Trendex, Euromonitor Dec'17; Brazil: IEMI 2017; France/Spain: Kantar Panel 2017; Germany: GfK 2017; Italy: SITA Dec 2017; Australia: BDA Tracking 2017; Nov'16; Remaining countries based on management estimate using various local sources. [1]Market Size: Euromonitor

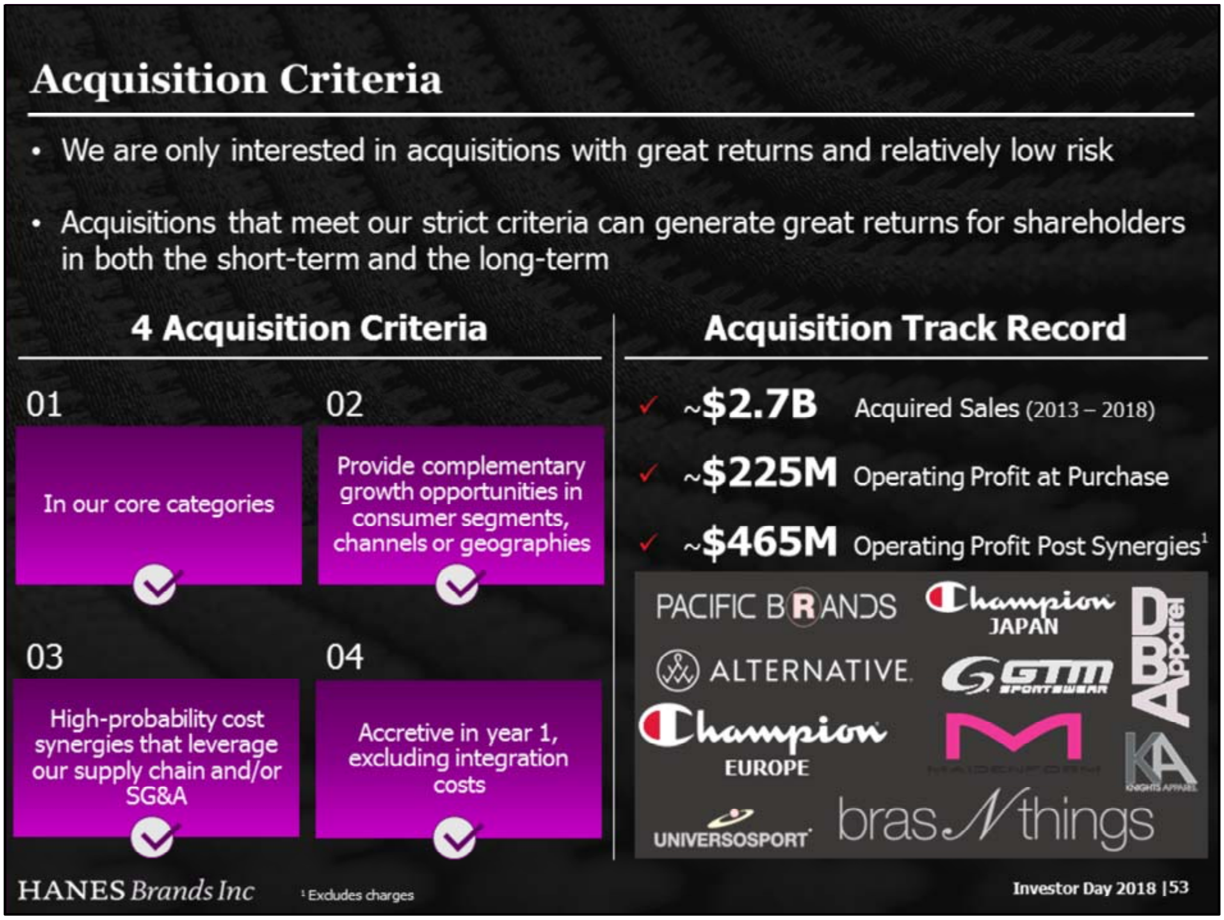
Investor Day 2018 | 52

Why is acquisition an attractive growth strategy?

Well, we operate in a large, slow growth, brand driven market. But innerwear is fragmented on a global basis with strong regional and local brands built over decades.

While, we hold leading shares in a number of key markets and categories, there are still plenty of markets where we are not present or have white space for growth.

To accelerate growth in such a large fragmented global market, acquisition is a powerful tool.



Successful acquisitions require discipline.

We have defined four acquisition criteria, designed to secure shareholder value creation while reducing risk.

First, we look to acquire in our core categories that we know best.

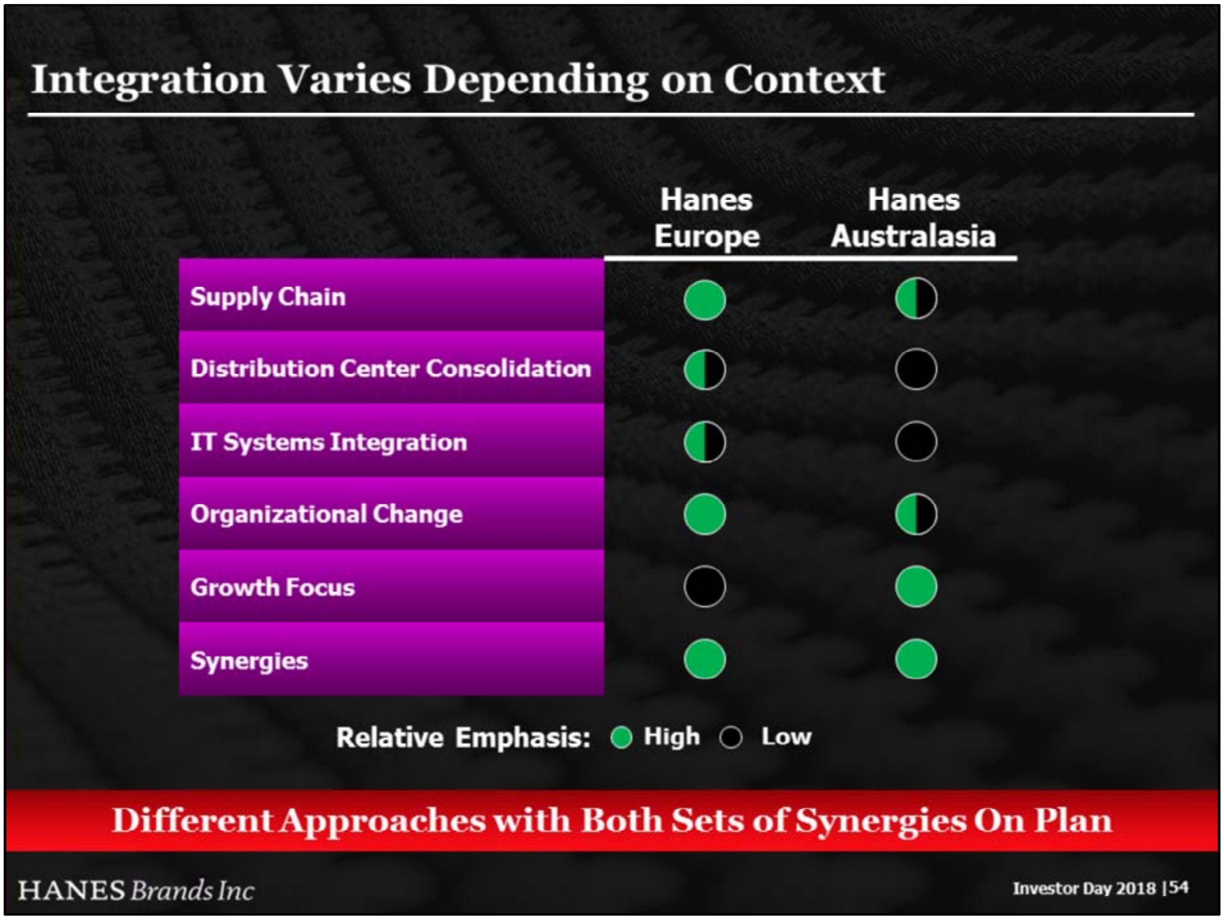
Second, we look for acquisition that provide complementary growth in either categories, channels or geographies.

Our third criteria is our ability to generate strong synergies, leveraging our Global Supply Chain and our existing SG&A

Last, but not least, is to be accretive in year 1, excluding integration cost.

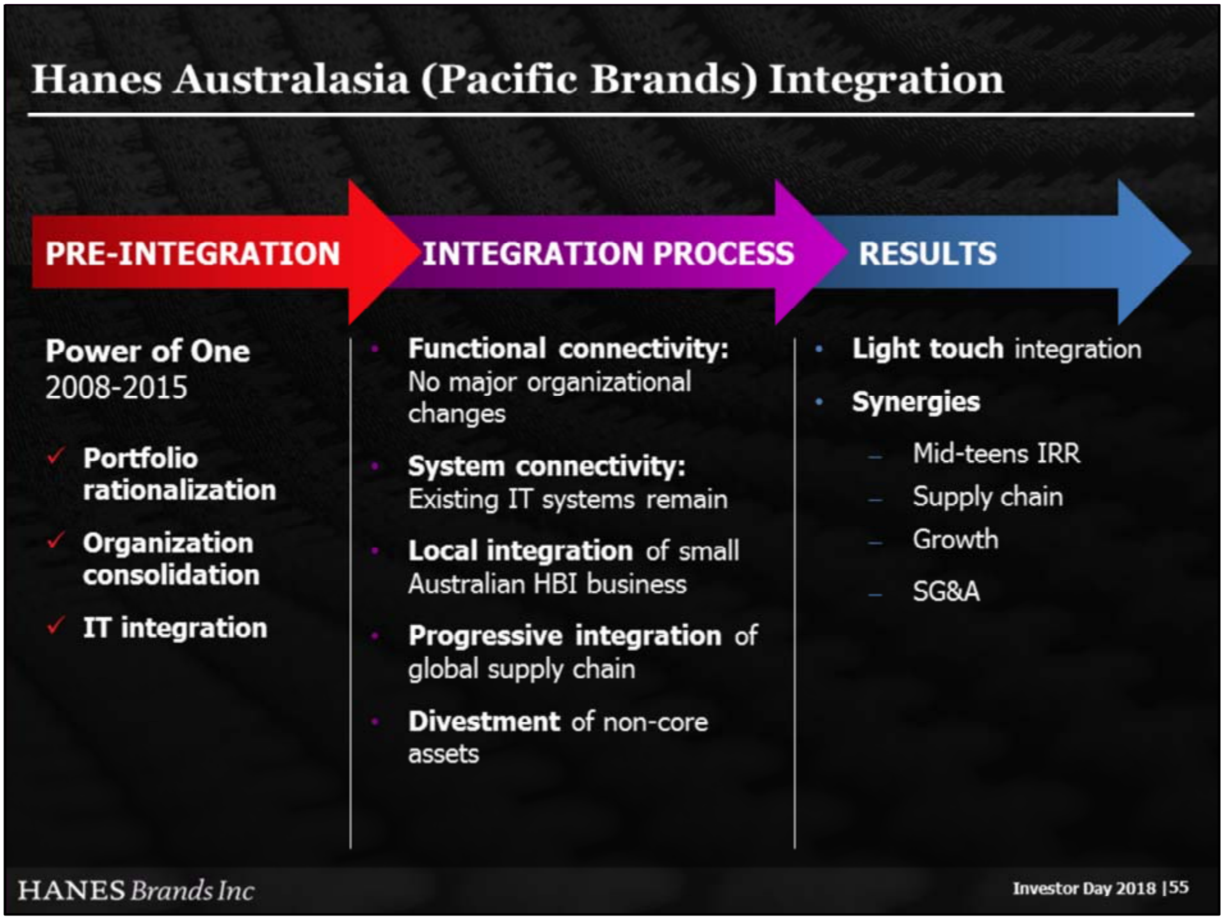
We have followed these criteria with our 10 acquisitions since 2013 and our track record is strong. We've added $2.7 billion of sales and nearly $500 million of operating profit, more than doubling the pre-acquisition profit level thanks to strong synergy generation.

During this time, we also have grown experienced integration teams and a rigorous methodology designed to integrate these new businesses and generate expected synergies.



Depending on the company we acquire, we adapt our integration strategy to maximize the return to shareholders.

You can see here a comparison between the European and the Australian innerwear integrations. Europe was mostly focused on cost reduction while the Australian was a mix of cost savings and growth initiatives. Both delivered a mid-teens IRR.



Let's go a bit deeper with the integration of Pacific Brands, which we acquired in 2016.

In this case it was a light-touch integration because the business was concentrated in one country, Australia.

PacBrands had already integrated itself into a single organization following the 2008 financial crisis, with a rationalized brand portfolio and a common IT infrastructure.

So, the integration principles were more of a plug and play approach.

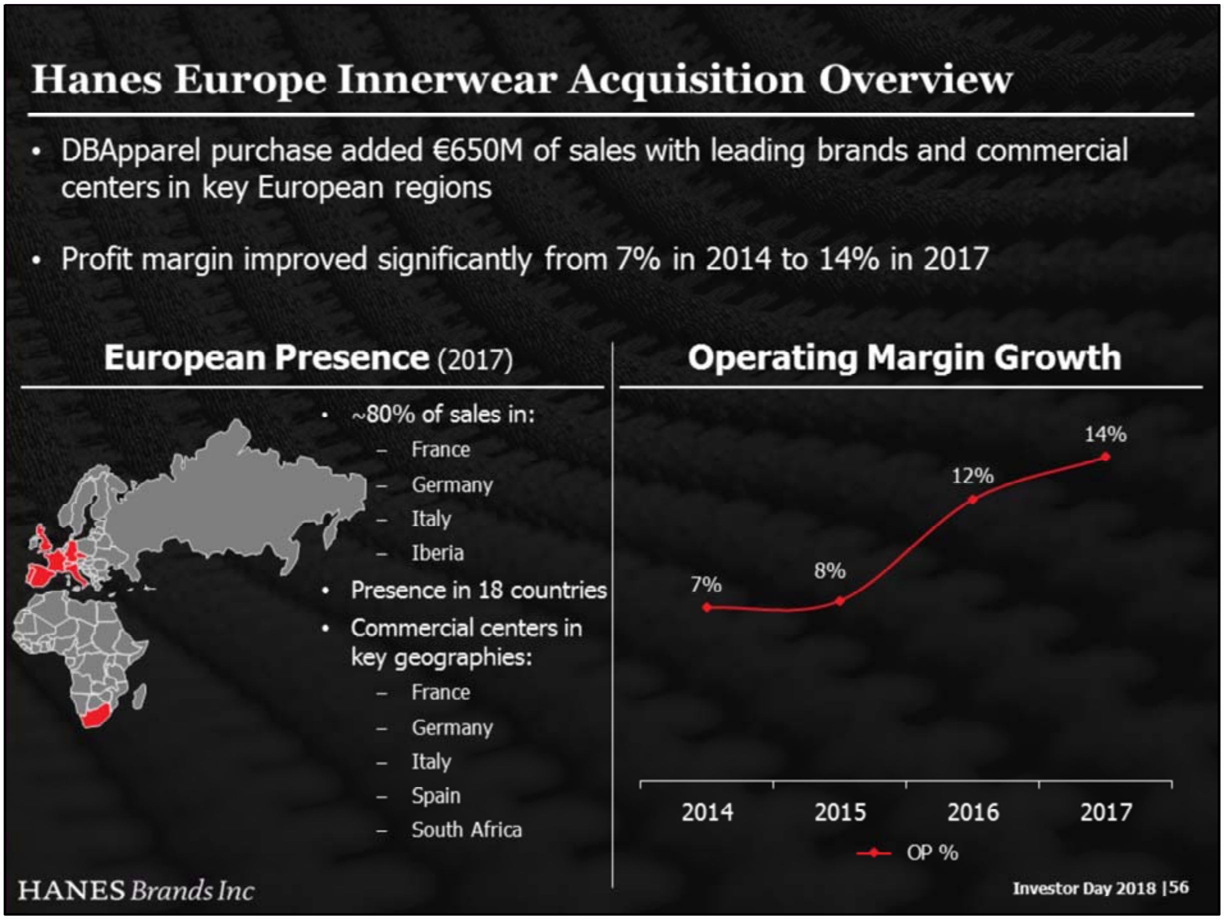
We progressively integrated PacBrands into our Global Supply Chain leveraging our own factories and our Turn-Key Suppliers.

Hanesbrands had only a small presence in Australia, which was relatively easy to integrate into PacBrands.

We divested some non-core businesses.

And, last but not least we focused on accelerating growth, re-investing into the business.

We are on track to deliver our mid-teens IRR on this acquisition.

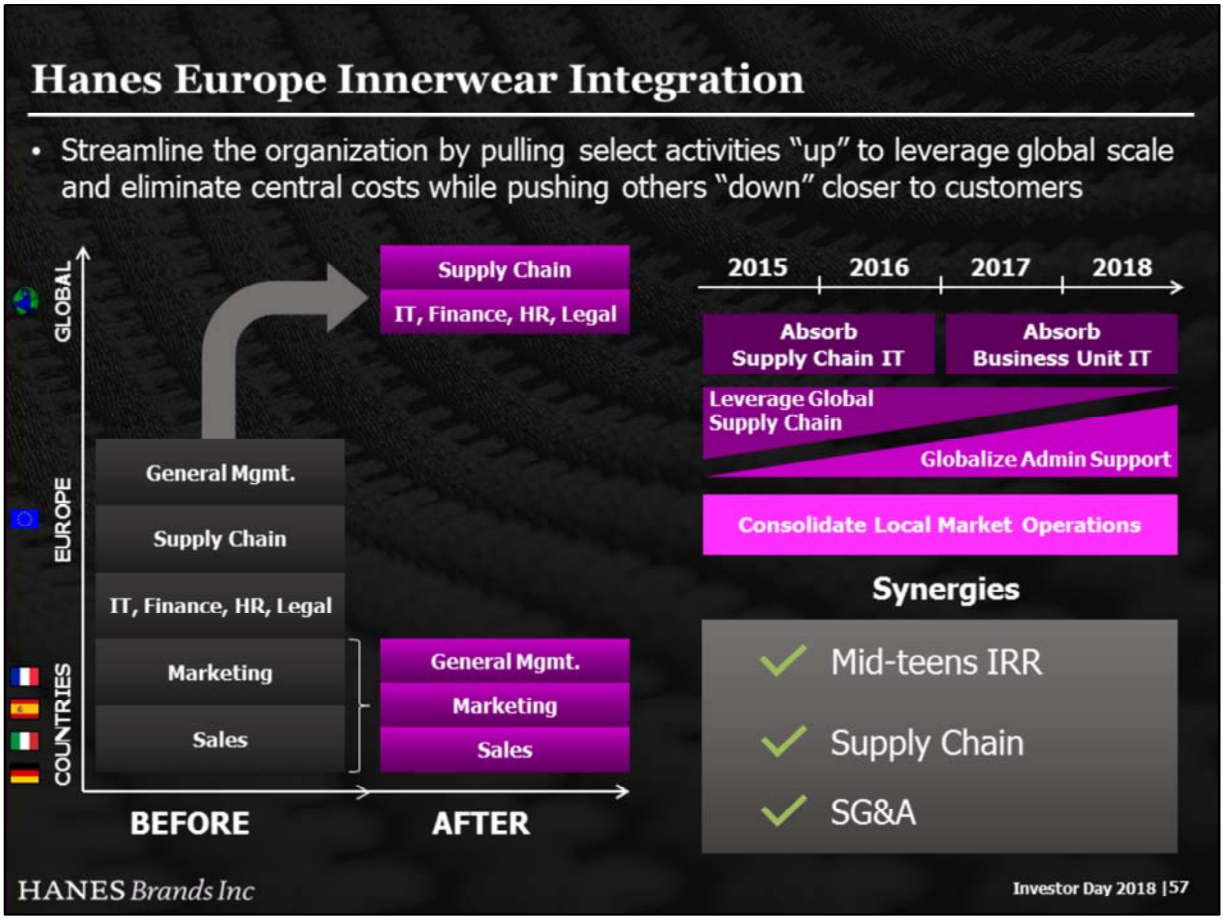


Now let's take a look at the DBApparel integration. We acquired DBA in Summer 2014, adding more than 650M Euro in sales to our portfolio and a strong business presence across Europe.

More than 80% of the business is located in the four largest countries in the EU.

As explained before, over the last 3 years, we have been able to double the profitability of this business and bring it to corporate average.

This integration has probably been one of the most complex for HBI due to the complex nature of the European market, its legislation and the fact that DBA wasn't an integrated company at the time of purchase. But we made it happen.



How did we integrate DBA to create Hanes Europe Innerwear?

Our two key integration principles were:

-A) globalize or move-up the back-end functions, i.e. Supply Chain & administration

-B) localize or moving-down, closer to our customers, the front-end functions, focusing on customers' needs and growth

In the case of the DBA integration, it was an effort over 4 years due to its complexity across multiple countries, functions and brands.

At the end we are positioned to deliver a mid-teens IRR on this acquisition, through significant synergy generation, notably from our Global Supply Chain delivering the majority of those, with the rest coming from SG&A.

In many cases these acquisitions represent only the start of our expansion in those regions of the world, and are a great platform for further growth.

After significantly improving the profitability of the acquired businesses, we have established a clear actionable strategy to generate profitable growth around our company strategy of Sell More - Spend Less - Generate Cash.

Bolt on acquisitions are also a way to accelerate growth. This is what we have just done in Australia with the acquisition of Bras N Things earlier this year.

In conclusion remember that:

-we operate in a large, stable but fragmented branded business across the globe

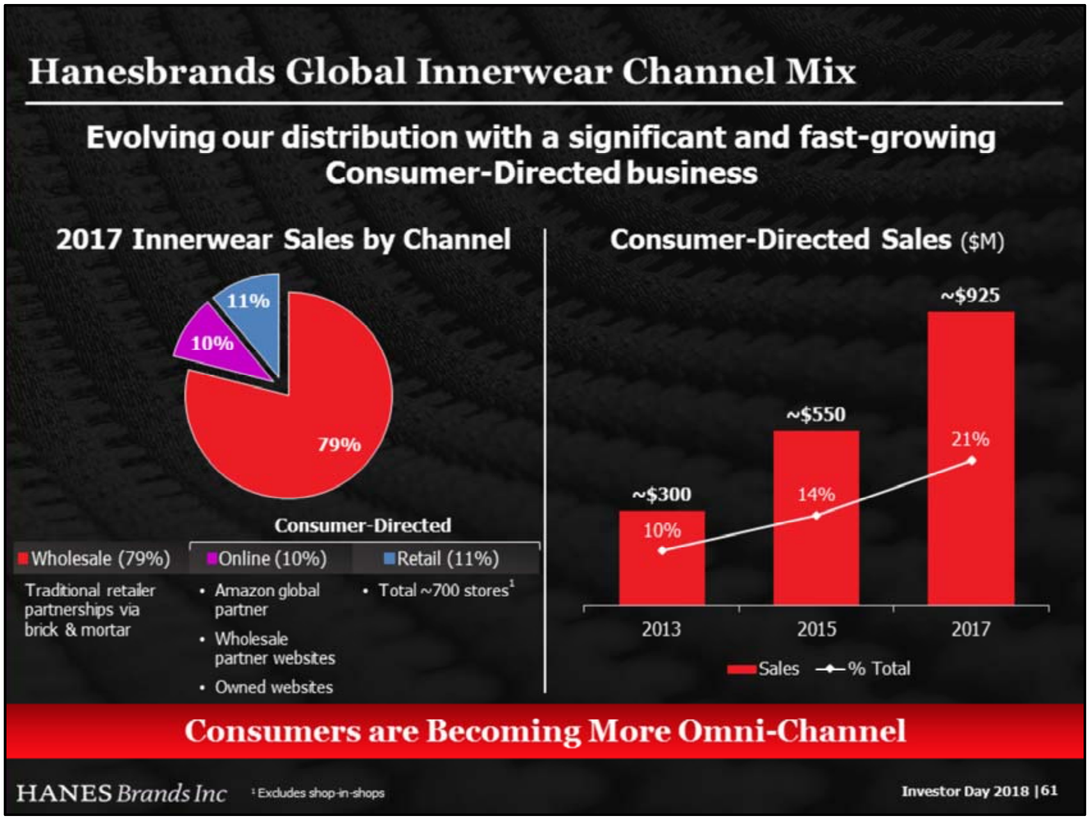
-acquiring strong local brands is a cost-effective way to enter new markets, especially internationally

-we have established a disciplined acquisition methodology and experienced teams that generate high return to shareholders

This gives me the opportunity to introduce you to David Bortolussi, leading our Australasian business, who will explain you our third strategic pillar of growth, our omni-channel strategy.

Thanks Francois. Good morning everyone. I lead our Australasia business and it's a pleasure to be here with you today.

I'll now take you through our third growth pillar, which is to expand our Omni-presence; particularly through growing Consumer-Directed, which is the focus of my section.



Every day we see our consumers becoming more and more omni-channel in their buying preferences and we are evolving with them. We need to enable them to shop our brands wherever, whenever and however they want to.

Traditional wholesale partnerships via brick and mortar will always be an important channel for us, but as you can see in the chart, we have a significant Consumer-Directed business representing 21% of innerwear sales.

10% of our sales are online, which includes pure plays, wholesale partner websites as well as our own websites such as Hanes.com.

And 11% of our sales are through retail stores, with a network of 700 owned stores and franchises in addition to concessions and shop-in-shop within department stores.

Our Consumer-Directed business is also growing fast with a five-year CAGR of 33% driven by rapid growth with Amazon and the acquisition of our Australian business and subsequent growth.

There are a number of strategic benefits to growing our Consumer-Directed business, and where we have the opportunity to do so, we will.

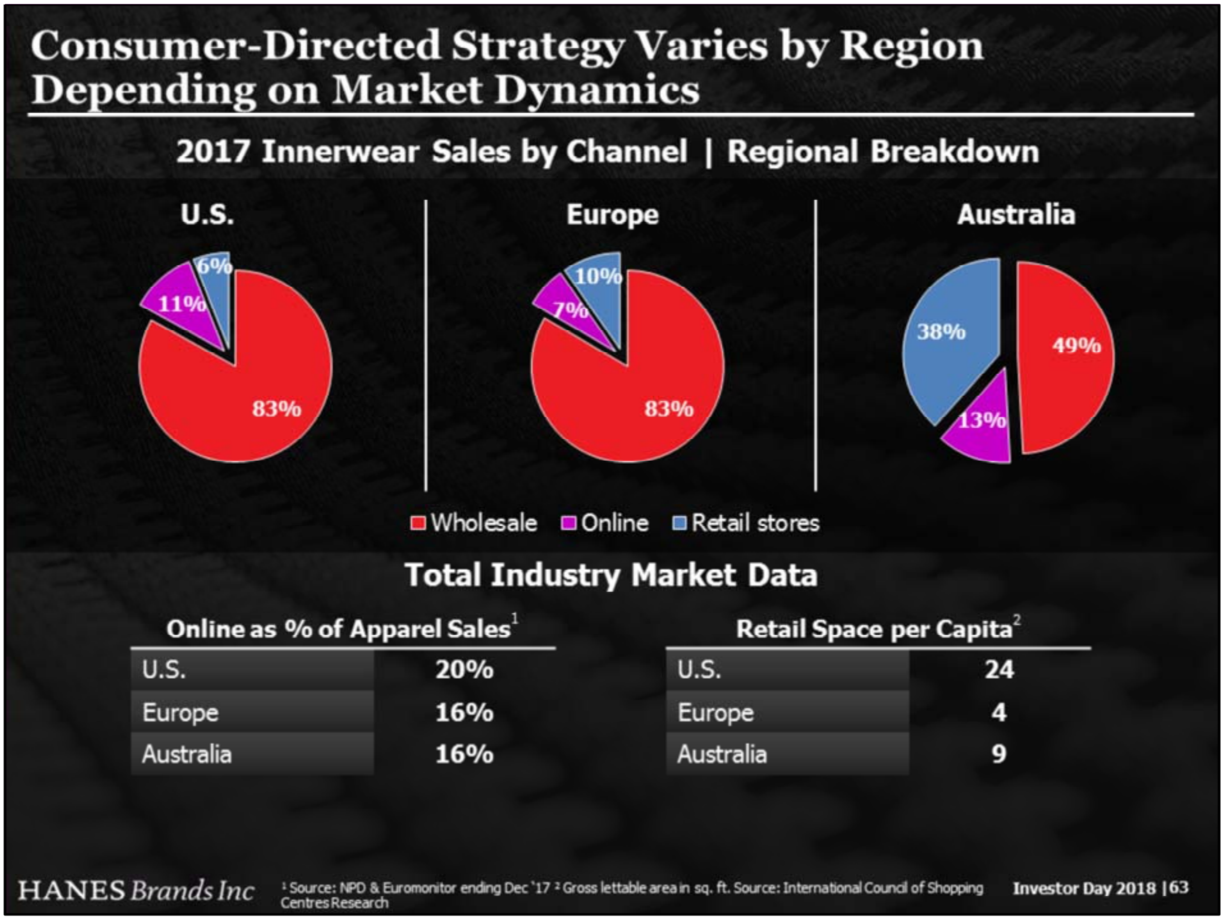
First, it builds brand equity by enabling us to more effectively tell our brand and product stories, as well as improve overall consumer experience.

Second, it attracts new consumers to our brands, increases lifetime value and provides an alternative route to market for us.

Third, it allows us to engage in direct relationships with our consumers, providing immediate, data-driven consumer feedback allowing us to be more demand driven.

Fourth, we have found that developing our own retail capability provides opportunities to leverage our learnings with our wholesale customers.

And finally, importantly, our expansion into Consumer-Directed is delivering attractive financial returns.

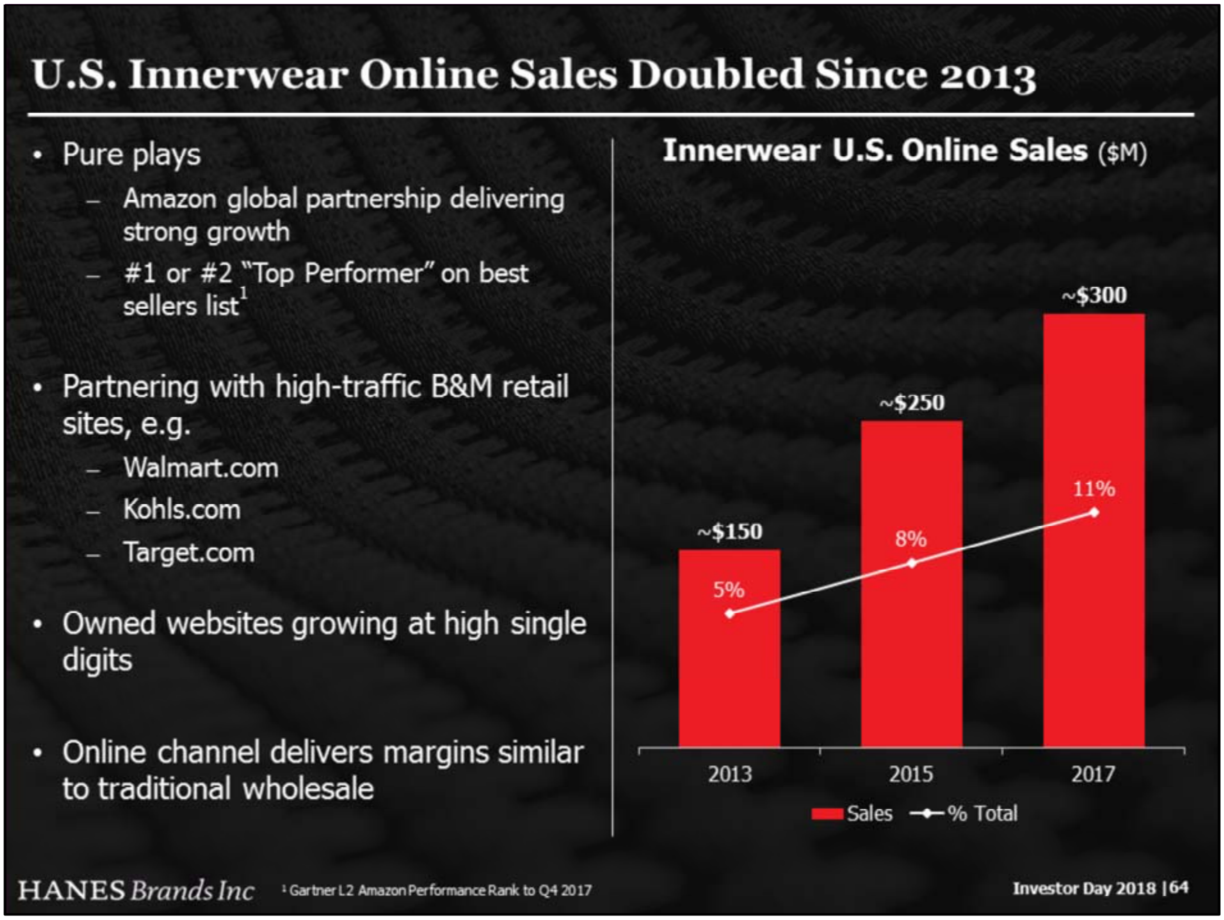


However, our Consumer-Directed strategy and channel mix varies by region depending on the market context. Starting on the left-hand side with the U.S. As we all know, the U.S. market is over-doored in retail and Amazon has been a major disruptor online with first mover advantage. Therefore, in the U.S. our Consumer-Directed strategy is to support existing wholesale partners online and to partner with Amazon.

On the other hand, in Australia on the right-hand side, there are more favorable conditions for owned retail. The market is generally not over-doored, there is some excess in mass and department stores, but not to the extent seen in the U.S. The online offer of our wholesale customers is less developed than in the U.S. and Amazon has only recently entered the market. Therefore, our strategy has been to develop our own specialty retail offer with Consumer-Directed now accounting for over 50% of sales.

It's hard to generalize about the European market. There is some excess space in mass, which is becoming more balanced, but there is strong competition in specialty intimates. Online growth in Europe has been driven by Amazon, local pure plays and own websites. Our strategy reflects that, with a steady presence in retail and a growing opportunity in both third-party and owned online.

As the U.S. and Australia are our two largest countries by sales, I'll give you a bit more color on our Consumer-Directed strategy in these two markets.



Starting with the U.S., we've achieved strong growth in online through a combination of focusing on pure plays, developing relationships with our brick and mortar partners and our own online channel. We are well developed with Amazon, where we are a global apparel partner. For example, based on an L2 report of the Amazon Best Sellers list, Hanes ranks #1 or #2 in our key categories.

We also work closely with our larger wholesale customers to maximize their .com channels, particularly with Walmart, Target, Kohls and Macy's.

While our growth has been strong, in the U.S. we still under-index relative to market online penetration, and we see continued growth opportunities.

Importantly, our online channel delivers a similar margin structure to our traditional wholesale business, so our growth in online is not dilutive.

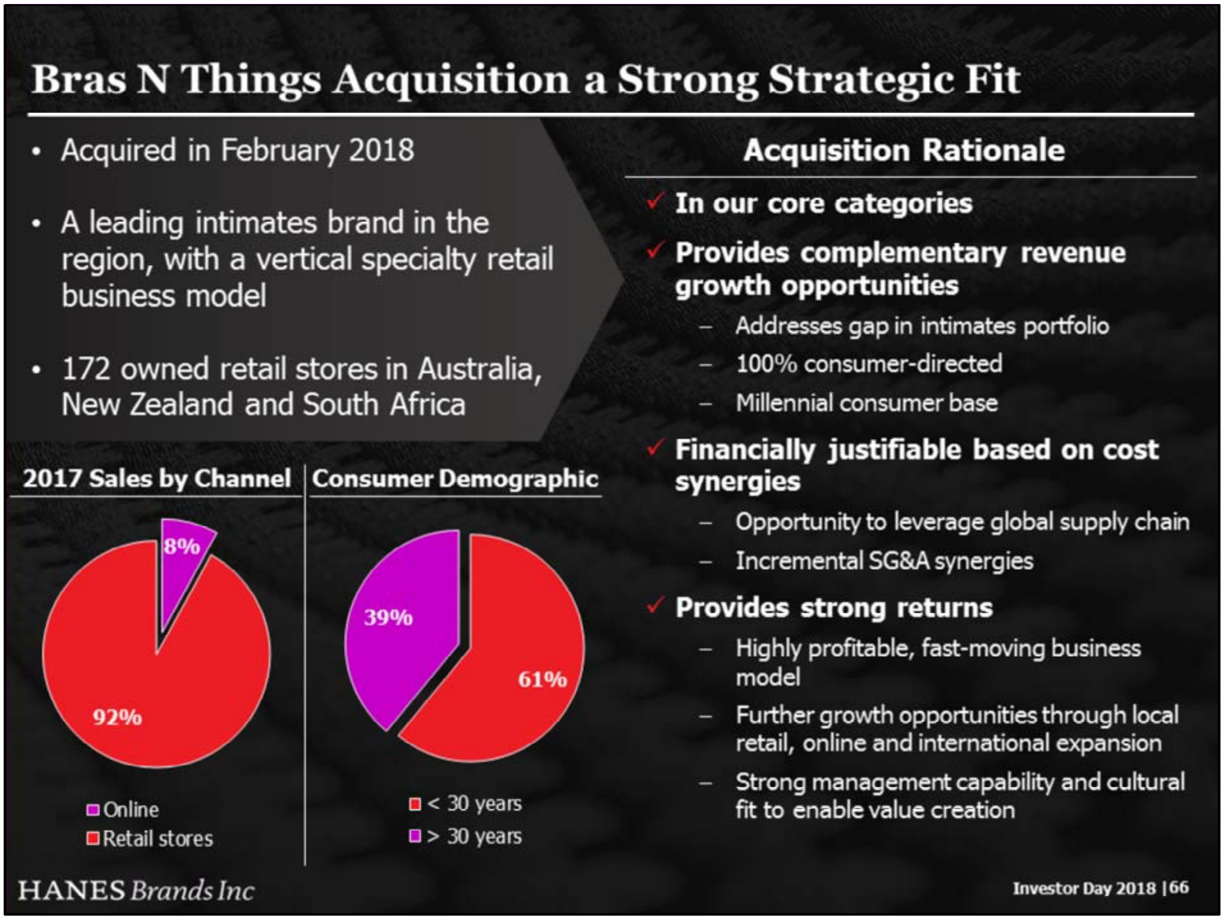
Moving to Australasia, and as Francois mentioned earlier, the business executed a significant transformation after the 2008 global recession focusing on the Bonds brand which had the strongest brand equity and greatest potential. At that time, Bonds was more than 95% wholesale with a factory clearance network of 30 stores, which was break even. In 2010, a major wholesale account changed strategy to become 100% private label in all categories, which in a region with limited routes to market, expedited our need to go direct and diversify our channels. In 2011 and 2012, we launched Bonds online, opened our first Bonds store and started to turnaround our outlet business. We focused on building capability in talent, systems and process to become a specialty retailer.

Which takes us to today where we are now a leading omni-channel retailer in the innerwear category with over half of Bonds sales in-store and online. And when we pro forma the recent acquisition of Bras N Things, which I will cover shortly, around 60% of our total sales are now through owned retail.

Our retail network has been incremental, offsetting wholesale channel declines to deliver a 6% CAGR in total sales over the past few years.

And, importantly, our channel shift to retail has improved our overall return on sales from high-single digits to low-teens.

Looking ahead, we see additional growth opportunities in maximizing online, evolving our store network and driving growth in our core categories.



Turning to our recent acquisition of Bras N Things, which is a leading intimates brand in the region, with a vertical retail business model and 172 owned retail stores in Australia, New Zealand and South Africa.

The business is a strong strategic fit and aligns with Hanesbrands acquisition criteria:

It's in our core categories and provides complementary revenue growth opportunities, addressing a portfolio gap in Intimates. The business also has a strong millennial consumer base, with 61% of shoppers under 30 years of age.

The acquisition creates cost synergies through global supply chain leverage and SG&A opportunities.

And it provides strong returns with growth opportunities locally and through international expansion.

And finally, a quick snapshot of our retail offer in Australia.

On the left hand side is our Bonds store format, which showcases all of our categories, delivers top quartile sales density and growth, and has a high net promoter score.

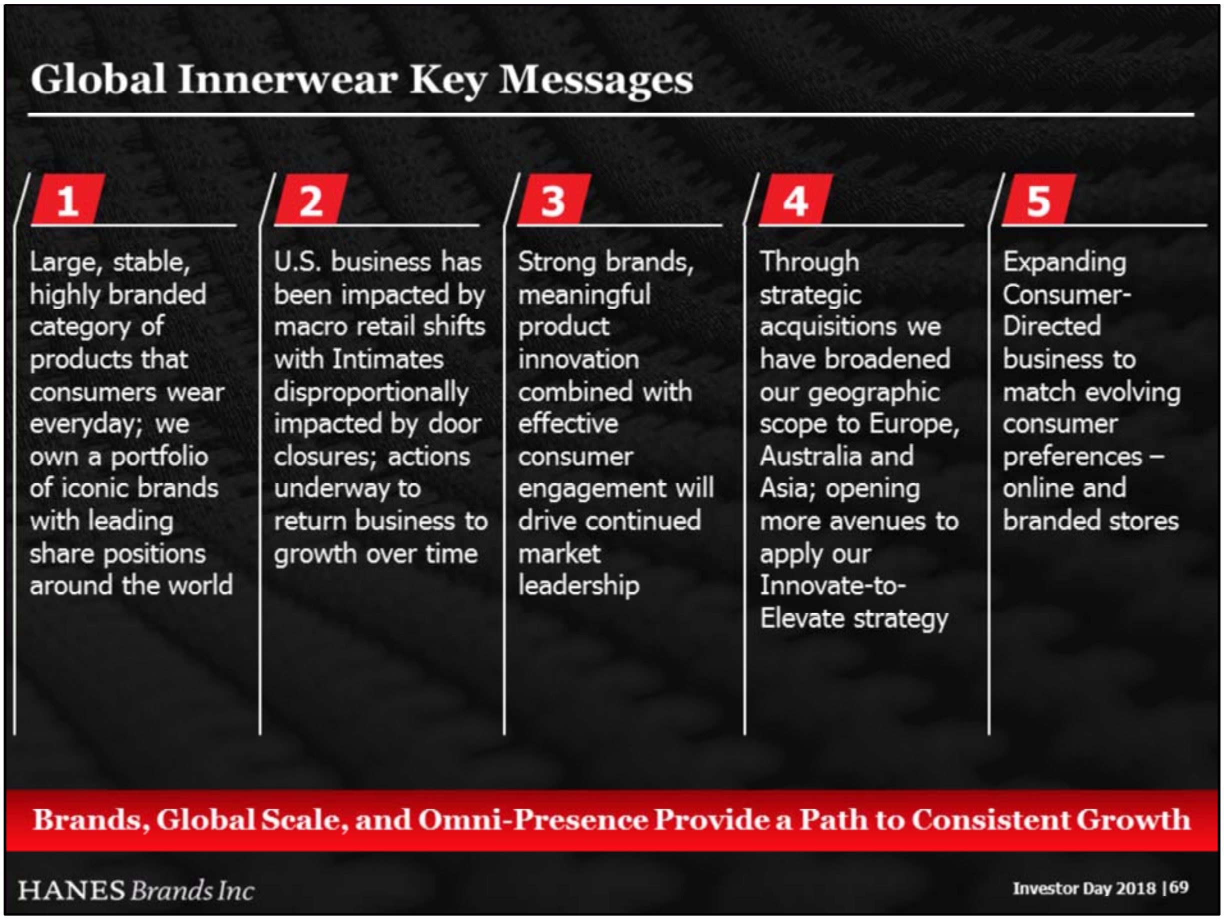
We are also one of the leading specialty online players in the region, with online representing 25% of total Bonds retail sales.

On the right-hand side is our Bras N Things store format, which differentiates itself through a superior fitting service and weekly product drops creating freshness in store. This business has also delivered top quartile growth with high margins, and while online is growing fast, this still represents a significant growth opportunity.

To wrap this section up, I've got a short video to let you experience our Bonds' store format.

Bonds Store Format Video

Video Playing



So to conclude on Global Innerwear:

First, Innerwear is a large, stable, highly branded category of products that consumers wear everyday - and - we own a portfolio of iconic brands with leading share positions around the world.

Second, our U.S. business has been impacted by macro retail shifts with Intimates disproportionally affected by door closures, but we have plans underway to return the business to growth over time.

Third, strong brands coupled with investment in innovation and consumer engagement will drive continued market leadership.

Fourth, our strategic acquisitions in Europe, Australia and Asia have broadened the scope to apply our Innovate-to-Elevate strategy.

And finally, we are rapidly expanding our Consumer-Directed business to match evolving consumer preferences online and through branded stores.

Thank you and I'll now hand you back to Gerald for Q&A.

Thank you. I'll invite Barry up. And what we'd like to do is just, before we go to break, take a few minutes for a short Q&A. I would say that I know all you guys are eager to get into your modeling and so forth. The modeling, it would be better to ask the questions afterwards when Barry's gone through his assumptions and so forth, as well as Activewear questions. We'll cover Activewear in the second half. So let's open it up. We'll have a microphone over here. If you have a question we'll take it and field it. And if one of our management can field it, we'll do that as well.

Please see the Investor Day 2018 Q&A Transcript document on our IR site for the full Q&A transcript.

CSR 2018 Video

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HANES Brands Inc

BREAK

Champion Brand Positioning Video

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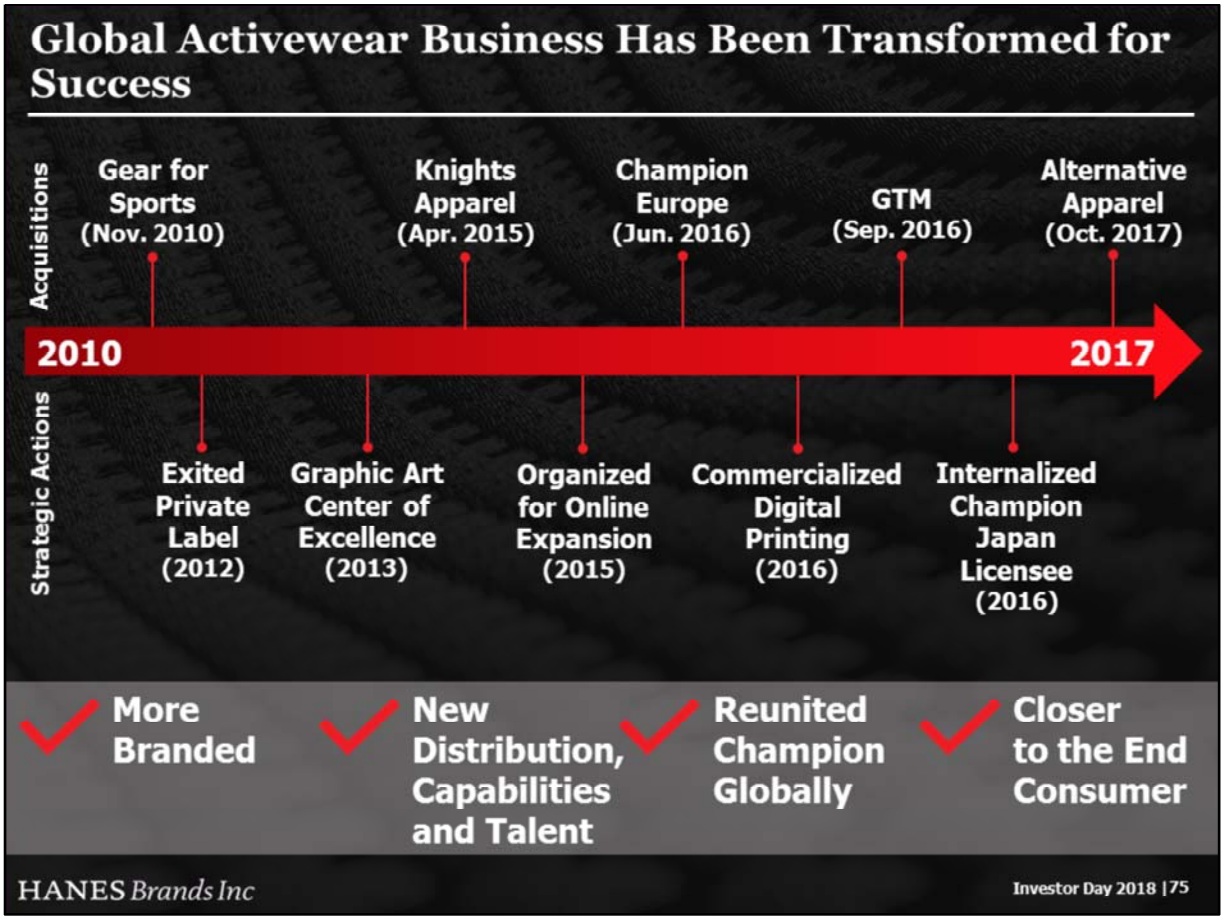
Good morning. We'll now transition to the Activewear business.



Over the last several years our team has focused on transforming the Activewear business model to become more branded, more global, more profitable and to get closer to the end consumer.

We exited our last vestige of private label, made accretive acquisitions that not only gave us new capabilities but also helped us to become the market leader in college logo apparel today.

We re-united our fast-growing Champion brand globally through the acquisitions of Gear for Sports, Champion Europe and the internalization of our long-time sporting goods licensee in Japan. By unifying Champion, we have been able to ensure consistency in our brand positioning throughout the world. We are leveraging our scale with fabric platforms, styles and designs. We are expanding our global reach with consumers through our digital media campaigns, unique product collaborations and key influencer initiatives.

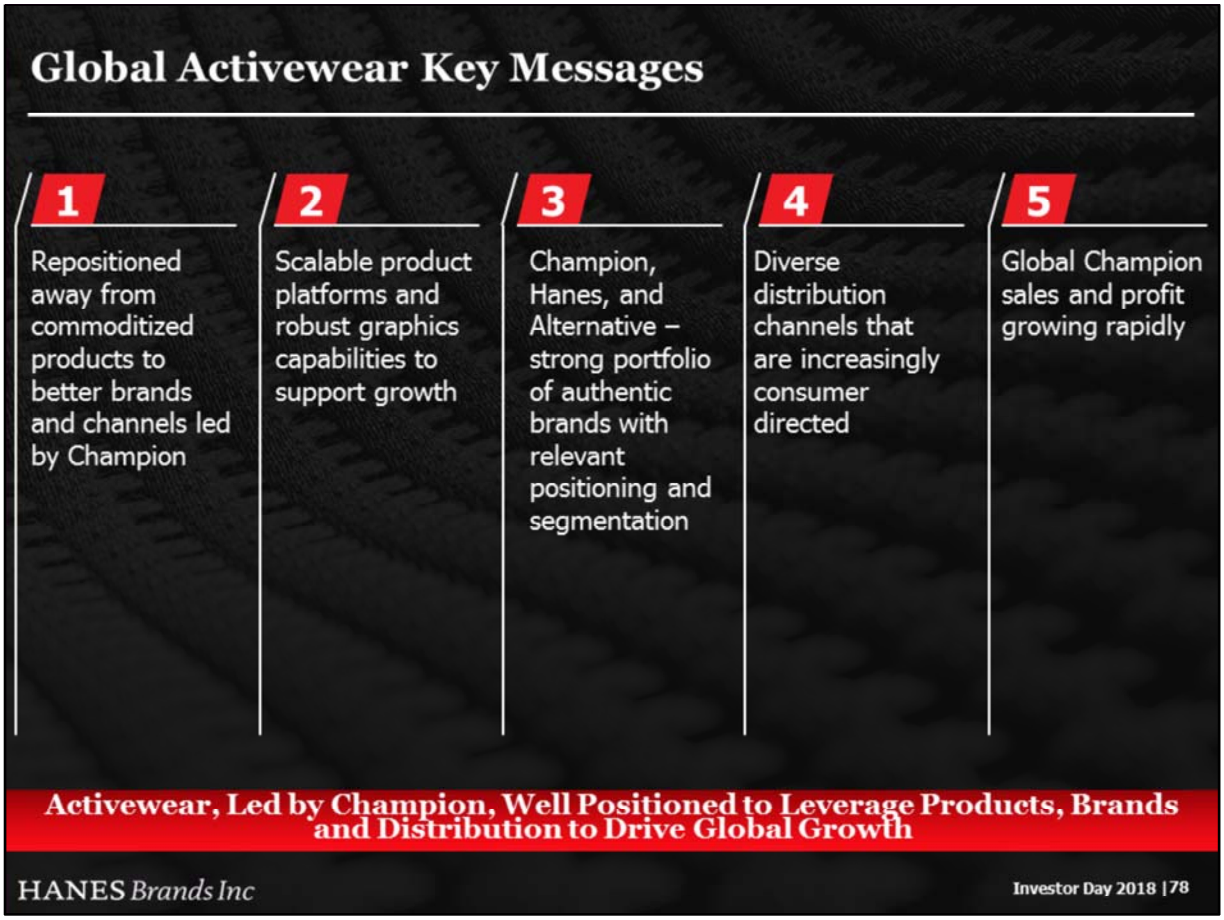
As a result of all these actions, our business is now almost twice the size of several years ago and our operating margins have more than doubled. We are global and growing rapidly across geographies and distribution channels.

We are now well positioned to accelerate our growth trajectory. We operate in a large growing global category and we have brands that consumers love. We are continuing to generate demand for our brands, introduce consumer relevant products and provide a superior service model.

The Champion brand in particular is on fire where we have applied a disciplined approach to growth that leverages our detailed time and action calendars derived from our expertise in acquisition integration.

Today you will hear from the team that runs the Activewear business here domestically and around the world. The collective experience and category knowledge rival anyone in the industry. You will see the progress the team has made and the clear runway for future growth and continued margin expansion.

At this point, I will provide an overview of our activewear segment, strategies and key differentiating capabilities. Then the Champion team will share how they're driving the brand's rapid global growth.



Let me go into a little more depth on our key message and re-iterate five areas.

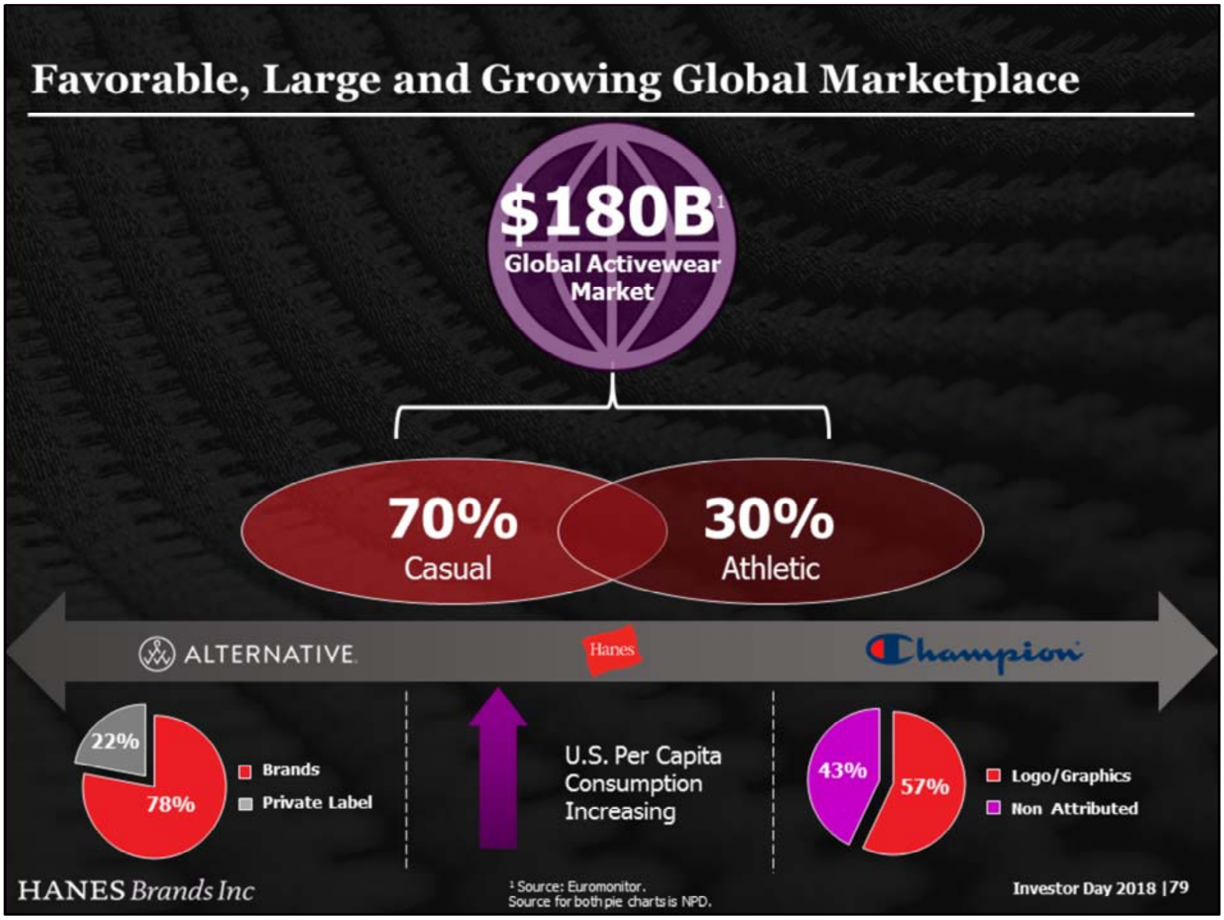
We have repositioned our activewear business from a domestic business dependent on more commoditized products to better channels and diversified geography led by the Champion brand.

We have scalable product and graphic platforms which we can uniquely leverage from our advantaged global supply chain.

We play in a branded category and have a strong portfolio of brands each with authentic and distinct positioning.

Our distribution initiatives give our brands omnipresence and are increasingly direct, creating richer brand experiences and driving price and margin expansion.

And finally, our global Champion brand has tremendous momentum. We're driving demand for Champion across all geographies generating rapid sales and profit growth for the brand.



We operate in a growing $180 billion activewear market. As Gerald referenced up front, consumer behavior and product innovations have the traditional athletic and casual apparel segments converging.

Our primary brands are well positioned to capitalize on this macro trend. Champion from it's athletic heritage, Alternative from it's casual lifestyle positioning and Hanes from it's comfortable casual basics position.

A few other data points are worth noting. The market is predominantly branded, per capita consumption continues to climb and graphic apparel, whether brand logo, licensed art or other, is almost 60% of the market.

All of these data points are favorable for our growth opportunity.

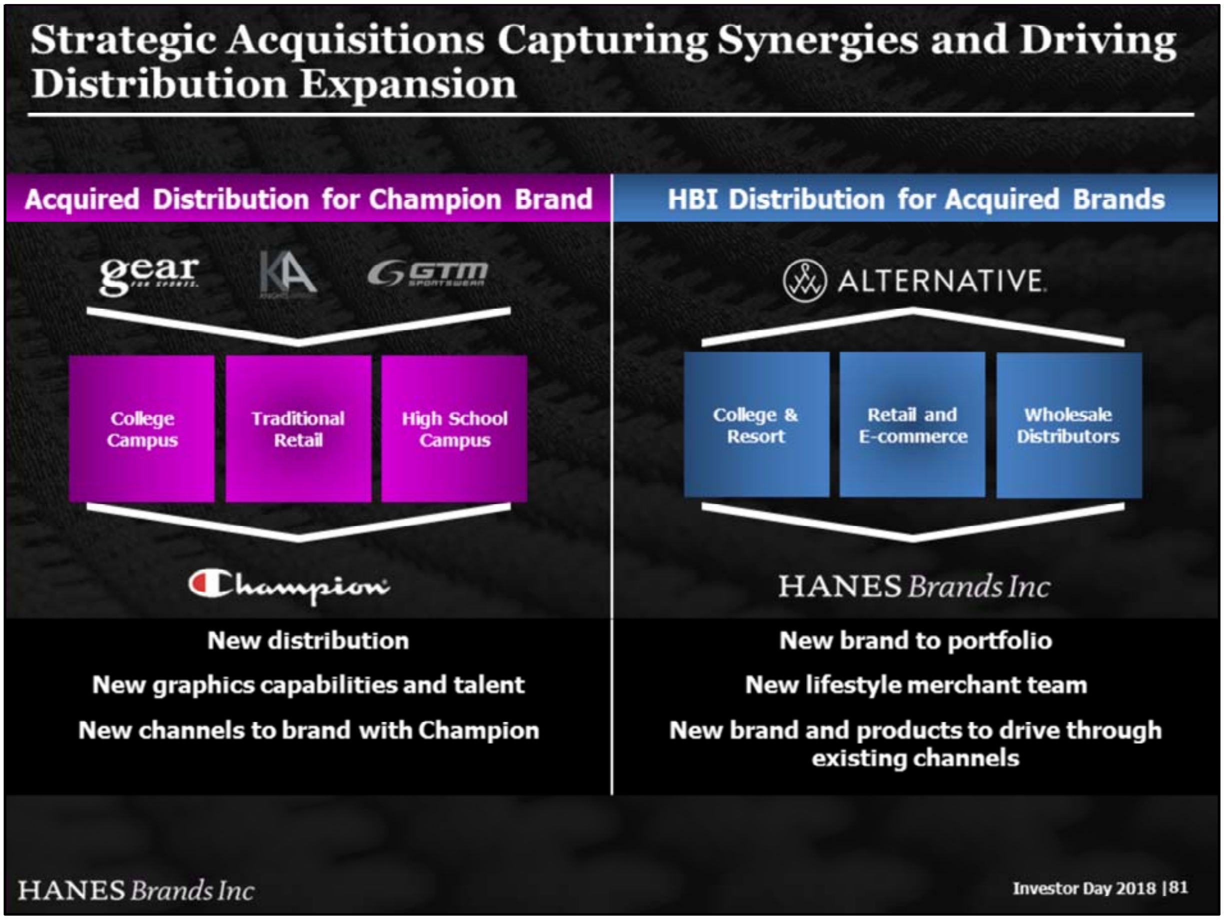
Our global activewear business is around $2.2 billion. It encompasses a broad range of products consumers use every day from t-shirts and sweats to performance garments and sports bras, and they're positioned through brands consumers love and trust.

About 60% of our activewear business is global Champion and the balance is split between our Sports Apparel and American Casualwear businesses.

Sports Apparel, managed by John Fryer, houses our share leading college apparel business and also serves specialty custom decoration channels like resorts, golf clubs, high schools and corporate customers.

American Casualwear is managed by Scott Somerville, who you will meet in the showroom walk through. American Casualwear consists of our Hanes retail and printwear replenishment businesses and our new Alternative Apparel fashion basics lifestyle business.

Champion is our global business. Susan Hennike manages North America. Internationally, Joe Monahan manages Europe and Tomohiko Hirano manages Asia. This talented leadership team will share more about this double digit growth franchise in a few minutes.

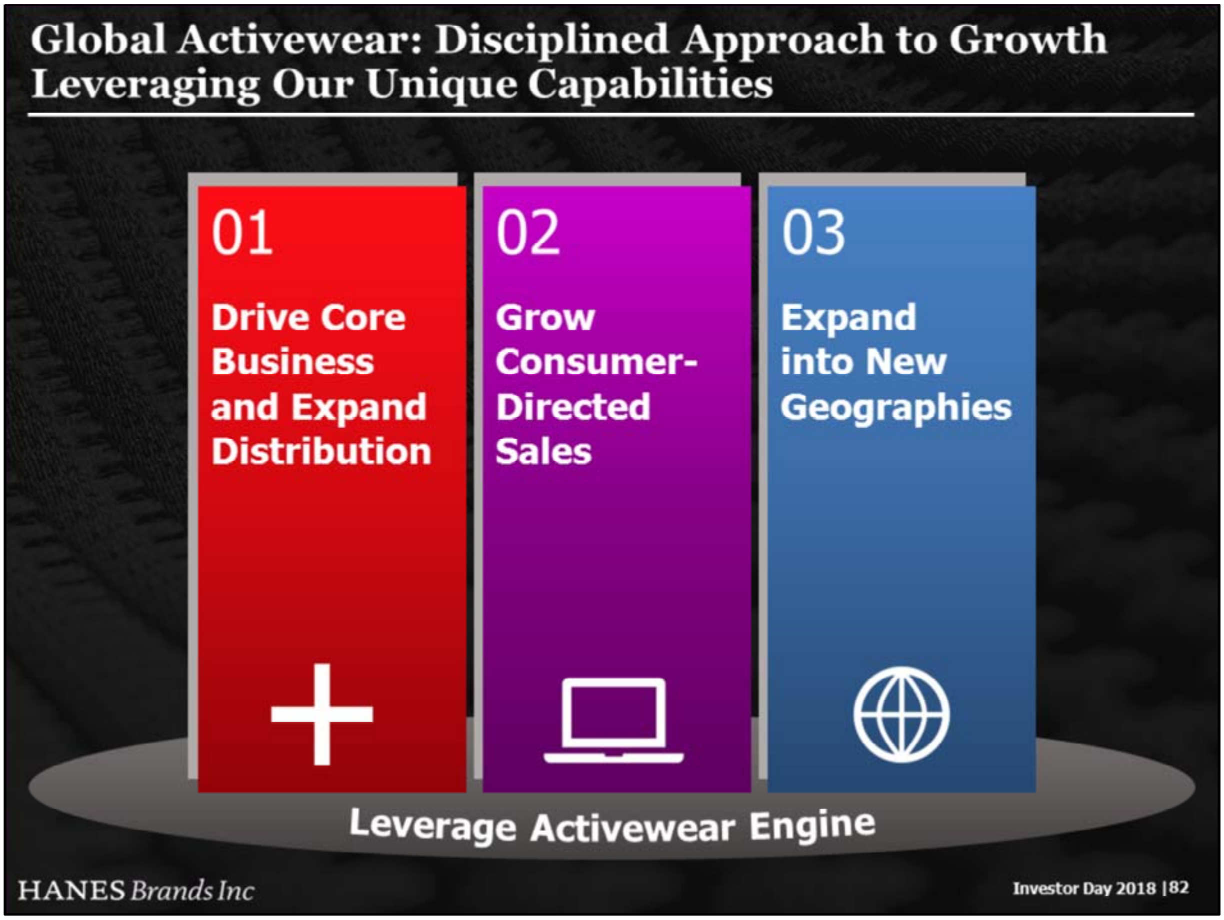


Before diving deeper into our strategies and capabilities, I think it's helpful to bring to life how strategic acquisitions go beyond cost synergies to provide fuel for distribution expansion and growth.

On the left, you see three graphics businesses acquired - Gear for Sports, Knights Apparel and GTM. All offered us new distribution channels and customers, and each brought unique customization capabilities and talent. On all three, we have grown Champion by distributing the brand through acquired customers.

The example on the right works in reverse. We acquired a new, lifestyle brand in Alternative Apparel, which is an authentic eco-brand in our core product categories. We're now driving it through our existing channels and customers. As an example, this fall we'll launch customized Alternative product to our college and resort customers.

We've also recently combined our merchant and selling teams on Hanes and Alternative to take advantage of their strong lifestyle merchant team and to combine the best of our selling teams to create greater scale in distribution and to put a segmented brand portfolio into our selling bags.



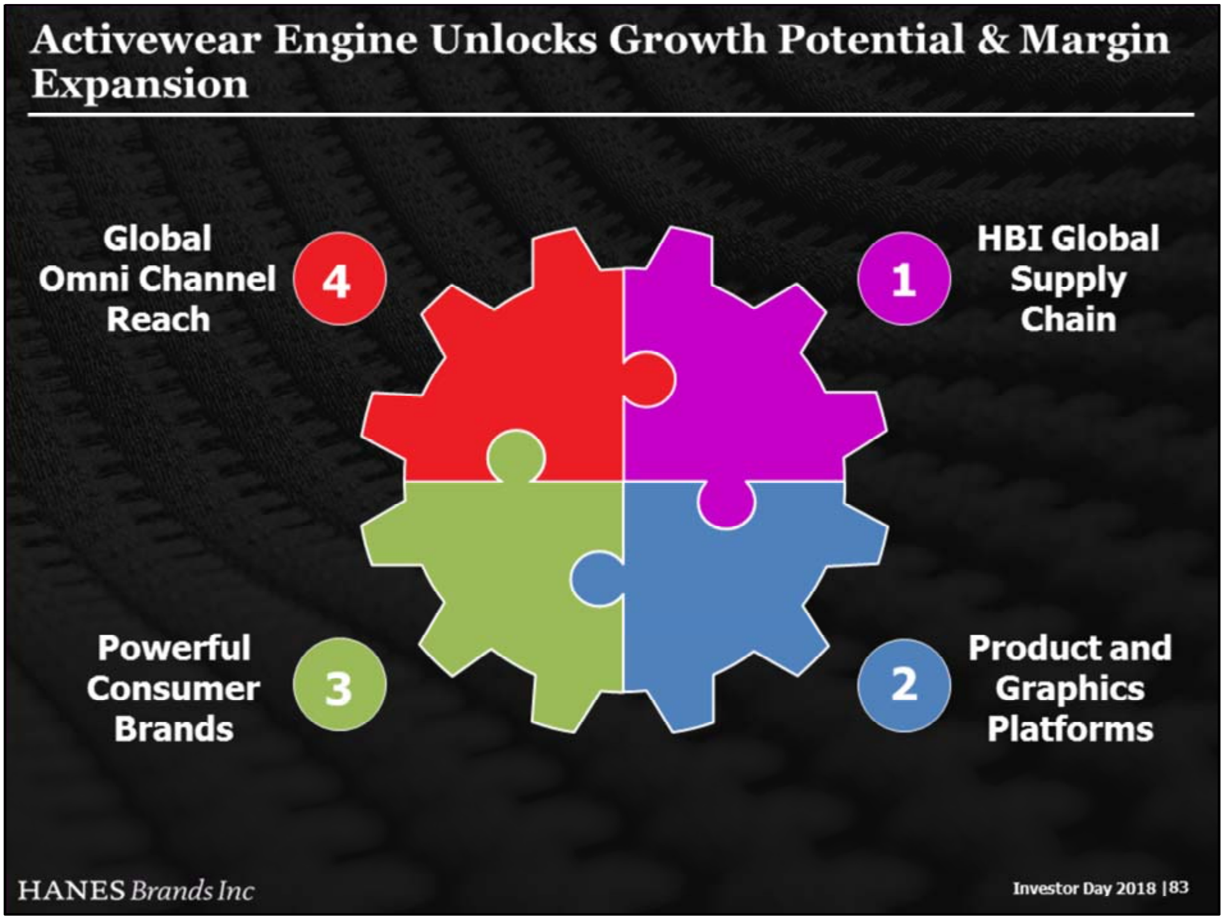
Let's turn to strategies and capabilities. As I mentioned earlier, we're using a disciplined approach to planning and executing growth. Across all Activewear, we're executing against three primary strategies - driving core and expanding distribution, growing consumer directed sales and selectively expanding into new geographies.

Driving core and expanding distribution, is about leveraging our brands and service models to grow current and new distribution, and marketing to create demand.

Growing consumer-directed sales is our effort to move closer to the end consumer through growing our online share directly and through customers' dot-coms and through the targeted use of owned stores.

On geographic expansion, our primary near-term focus is on the Champion brand where we have significant momentum and continued expansion opportunity in all geographies.

These three strategies are supported by our activewear engine and its unique combination of capabilities. I'll talk about the activewear engine and then turn the presentation over to the Champion leadership team who will bring to life the three strategies as we're applying them to the brand.

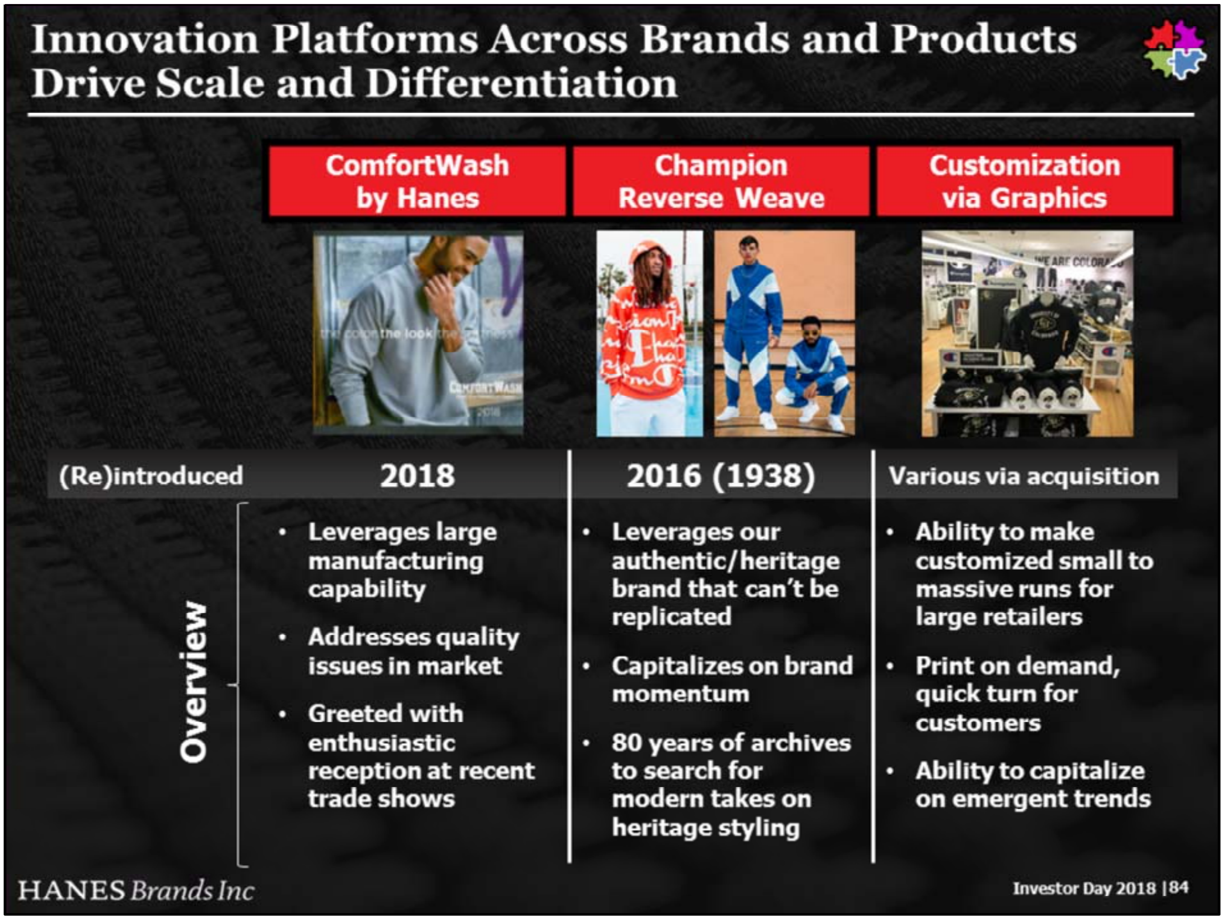


It's our unique activewear engine that we believe gives us advantage and confidence in our ability to deliver against our strategies, unlocking growth potential and margin expansion. Mike has described our mostly owned, low cost global supply chain.

What it does for us in growing a business profitably is to provide us global scale of product platforms and customization capabilities, and it enables global execution of our product innovation.

Those product platforms are delivered to the market through a powerful, consumer segmented brand portfolio.

And those brands and products reach consumers where and when they want to shop, online or in stores, through wholesale partners or through increasingly direct distribution. Let me walk you through a few examples of this engine.

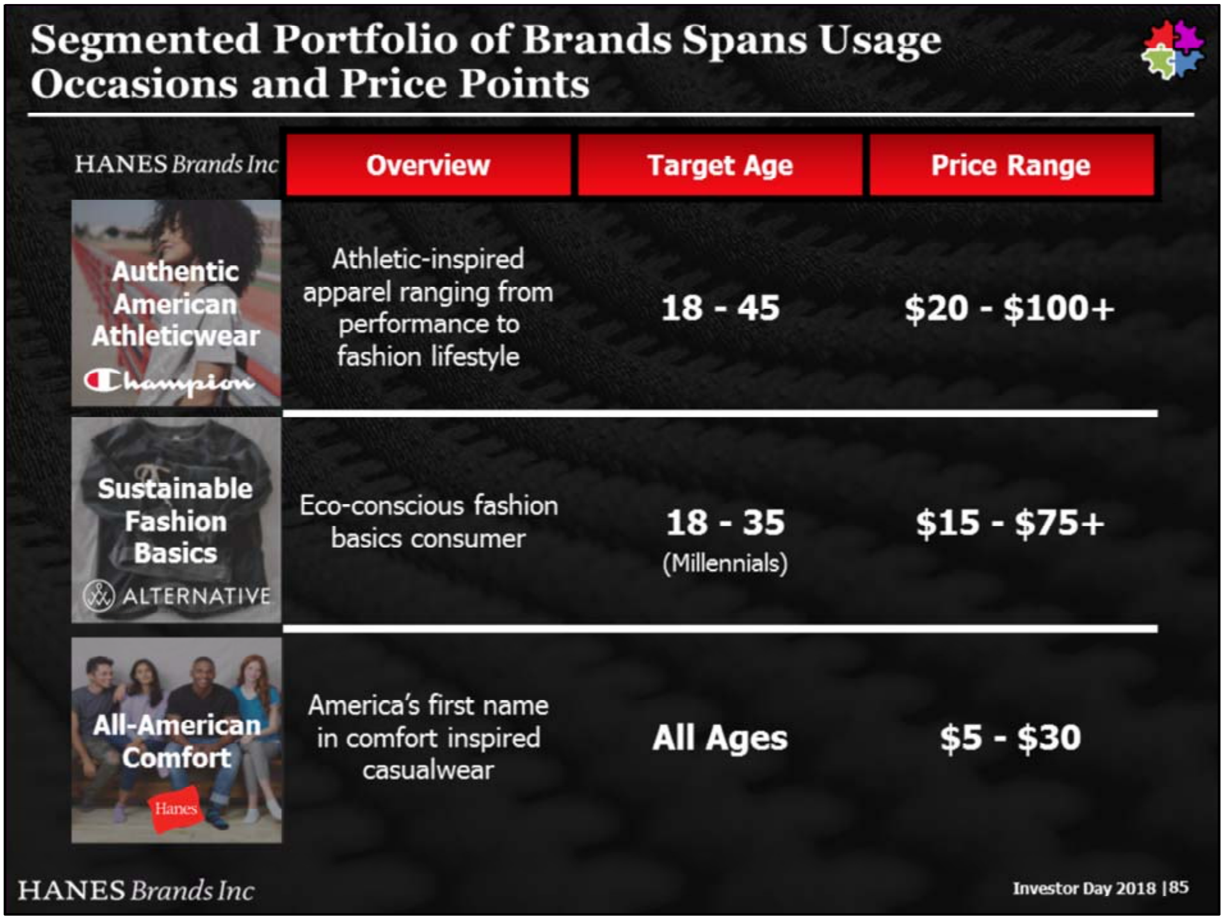


Comfort Wash by Hanes, is a simple innovation that takes core tees and sweats and gives them a relaxed, broken in look and feel using garment dye technology. Customers are looking for better quality and more reliable supply of these kinds of products.

Champion Reverse Weave is 80 years old this year, but it was successfully re-launched in 2016 with a return to original product details and a contemporized fit. We continue reinventing the iconic sweats with graphics, product details and even the garment dye technology described on Comfort Wash.

On graphics, we decorate tens of millions of units of apparel annually many with template driven customization. This mass customization capability has made us the leader in the $3.5 billion retail college apparel market. We can do thousands of units for mass retailers or one unit for a single consumer.

These platforms are driving results. We expect Comfort Wash to deliver tens of millions in new volume by 2020. Reverse Weave has a global 3-year CAGR of 66% with continued new releases planned and being built. And graphics play an integral role in segmentation, differentiation and pursuit of new businesses.



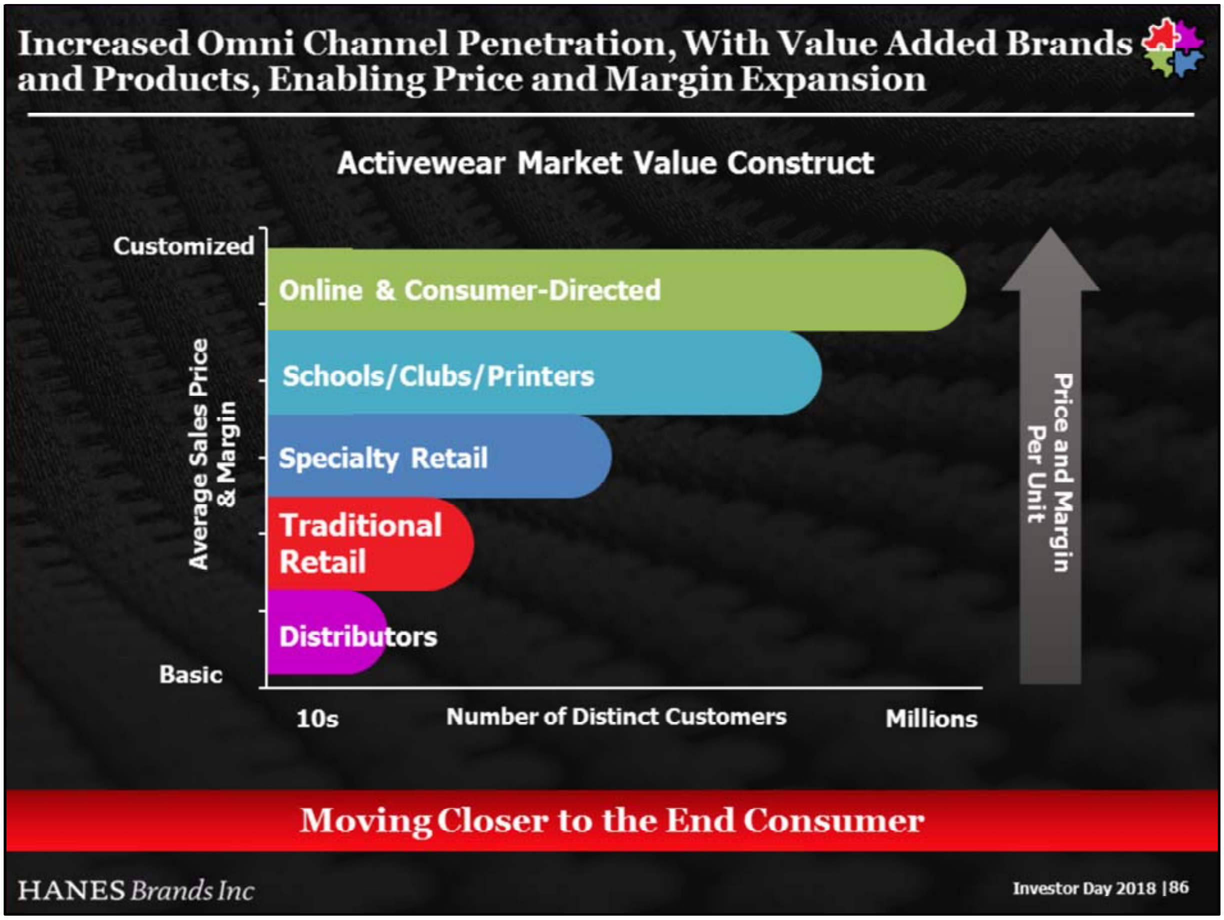
Our three primary brands of Champion, Alternative and Hanes, position us well to span the athletic to lifestyle product convergence and segment the market. They allow us to serve multiple consumer usage occasions and cover price points at retail from $5 to over $100. And, each brand has a unique positioning.

Champion is an Authentic American Athleticwear brand with a product range from true athletic performance to fashion lifestyle. It has our most diverse price points and distribution. It will be one hundred years old next year, but it's growth is being driven by a new generation.

Alternative is an authentic eco-conscious, fashion basics brand. Eco-citizenship is a consumer macro trend, especially with younger consumers. The Alternative team uses sustainable yarns to create, soft innovative fabrics delivered in fashion basic silhouettes. The brand secures better price points and reaches better retail distribution like department and specialty stores.

Hanes is truly a favorite family brand. It's in 8 of 10 American households and is trusted by families for quality, comfort and value. Even in graphic tees, studies have shown that consumers have higher purchase intent if the canvas carrying the graphic is Hanes.

It's an enviable portfolio of brands spanning usage occasions, consumer segments and price points.



And lastly, our activewear engine distributes products across all channels. In looking at this value construct, the vertical axis represents undecorated basics at the bottom moving up to individually customized products at the top. The horizontal axis represents selling customers from a handful of wholesale distributors to millions of individuals. As you move up and to the right, average price and margin opportunity is greater. A $4 plain t-shirt sold to a distributor could be a $25 custom graphic tee sold direct to a consumer. As we look to drive profitable global growth, we will leverage our supply chain, products and capabilities, our brands and our distribution and we will seek to move closer to the end consumer.

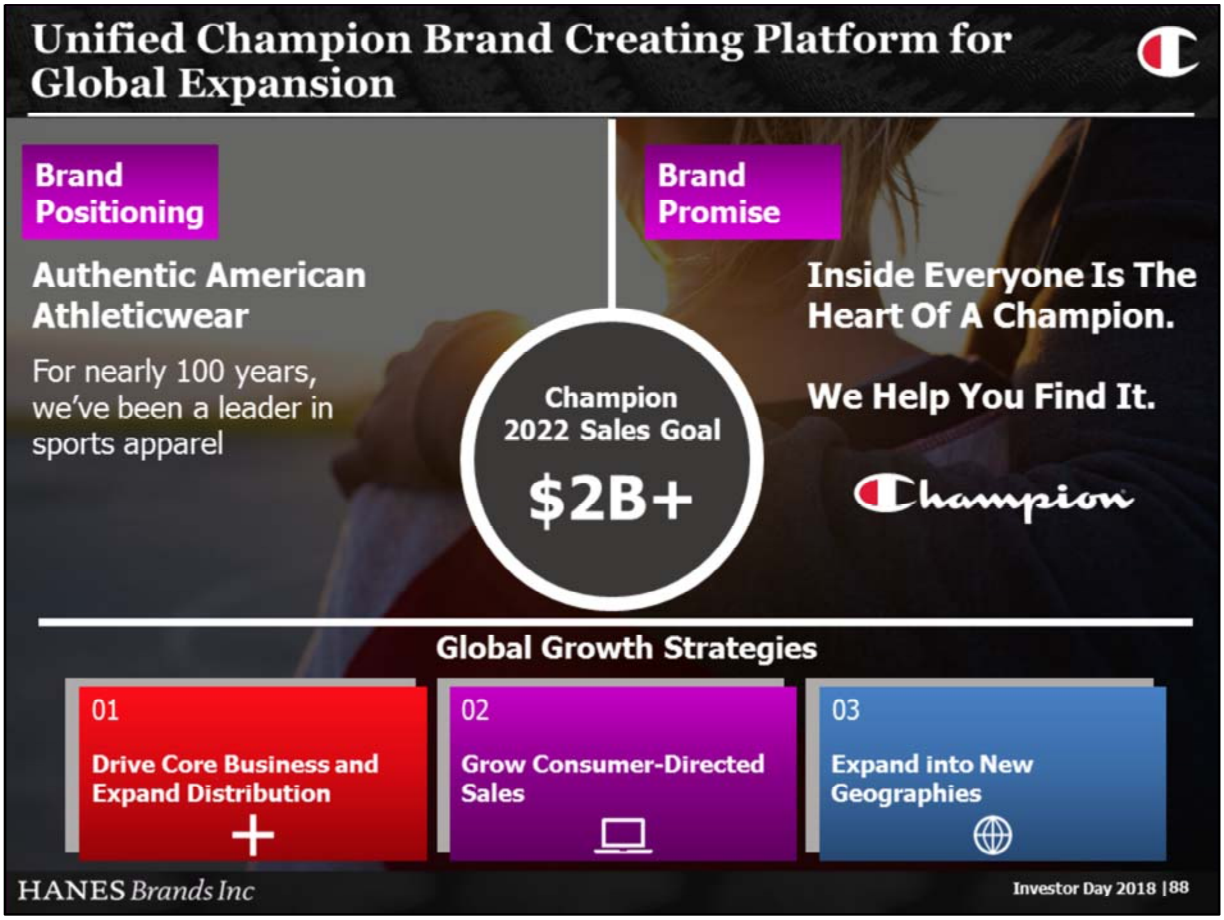
But before I turn the time over to the team, I would like to take this opportunity to communicate a personal decision. I have elected to take a three-year sabbatical from the business world in order to serve in our church. My wife Keri and I, along with our high school age daughter Anna, are very excited to have been asked to lead one of our church's international missions. Our assignment, which is voluntary and unpaid, will take us to southern Brazil. As we evaluated our full life's work, we believe the service we will provide during these next three years will be as important as anything we have done. We consider it an honor and a privilege to be a part of this new effort and we look forward to the new adventure.

I have had a wonderful career at Hanesbrands and I will miss challenges of the business and the marketplace. And, even more so, I will miss the people with whom I've worked. Through it all we have built an impressive Activewear business model with a highly talented global team. I don't know where I'll be after Brazil, but who knows our paths may cross again.

Now I'm going to turn it over to our Champion team to illustrate how our strategies are driving the brand's remarkable growth. Susan Hennike, President of Champion North America will kick things off.


HANES Brands Inc
Champion Growth
Drive Core Business &
Expand Distribution
Susan Hennike
President, Champion North America

Thanks John.



As we are coming together as a brand across all regions, we have recognized the power of the Champion brand's North Star - our truly ownable global brand positioning of Authentic American Athleticwear. We are a leader in sports apparel and have been for 100 years, shaping the industry as we know it.

The Champion brand story is unique and is rooted in our love of sport. We have been innovating product for athletes since 1919, beginning with our early days of cotton football jerseys to our patented reverse weave sweatshirt to the invention of the mesh practice short. Today those items are iconic and are being reinterpreted for life on and off the playing field.

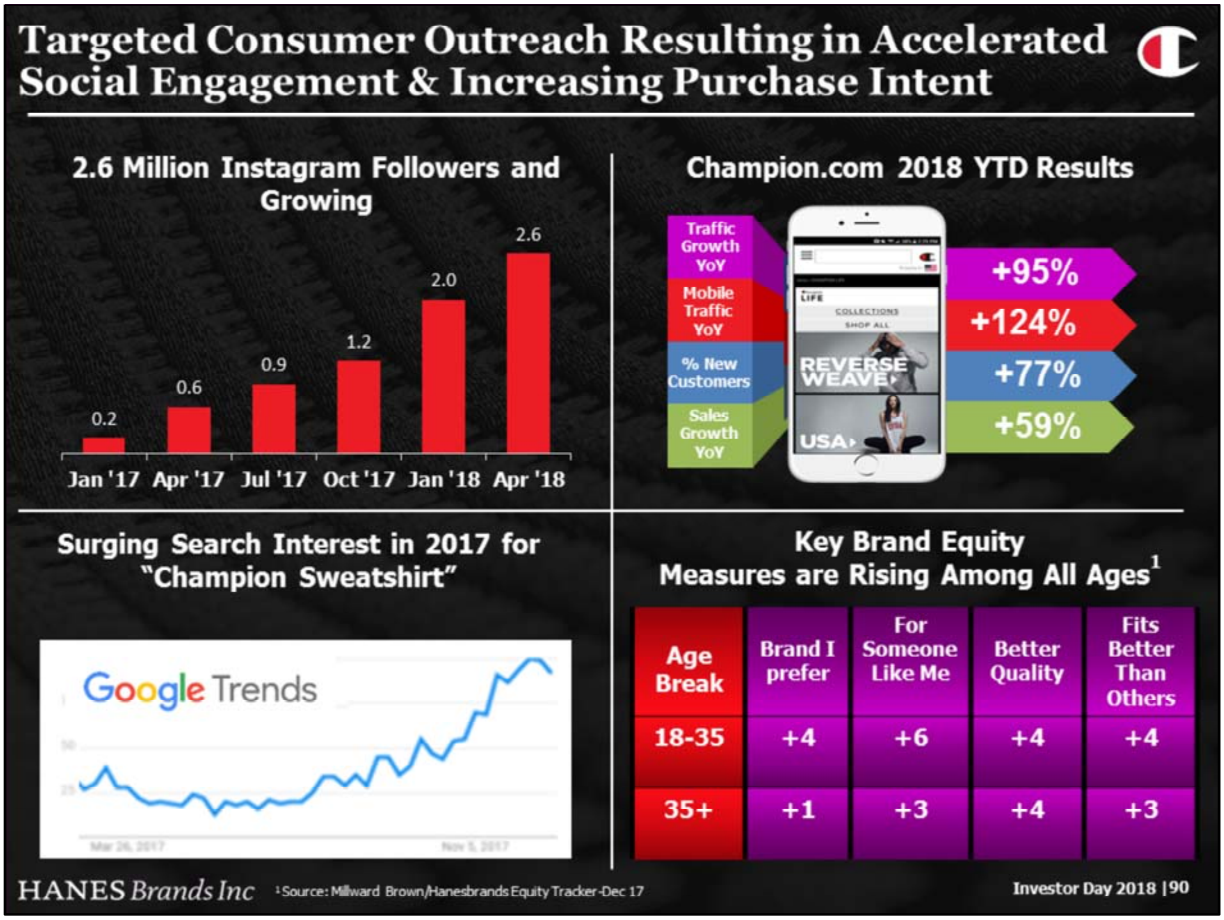
Our brand positioning drives everything we do around the world, and our brand promise guides how we do it: Inside everyone is the heart of a Champion. We help you find it.

We are talking to our consumers authentically and inclusively, telling our story like no one else can, and the fruits of our efforts are taking root. As we like to say: our fields have no fences, our clubhouse has no dues.

As we are aligned on our brand positioning, we are also aligned on how we are planning to continue the momentum of growth for Champion. As John mentioned we are focused on the three fundamental growth strategies for Activewear: the first to continue to drive our core business and expanding distribution, the second is growing our online and direct-to-consumer sales and finally selectively expanding into new geographies. These three strategies are going to help us build to be $2 billion-plus by 2022. With my partners, Joe and Hirano, we will walk you through each of these strategies and how we are working together to build the Champion brand globally.

I am going to focus on our first growth strategy, to drive our core business and expanding our distribution. We are confident that we can achieve continued growth for years to come by having a strong multi-faceted global marketing strategy allowing us to create a sustainable, authentic relationship with our consumer.

The marketing is focused on driving buzz with influential celebrities, building strategic collaborations with key designers and meaningful brands, engaging with the consumer across targeted digital and social media, and finally bringing the brand to life within our own retail venues. I am going to walk you through more specifically on how we use these marketing tools to continue the Champion momentum.



Champion is maximizing this momentum by launching targeted social media campaigns that are amplified with paid media to drive reach and engagement. We are consistently engaging with consumers across targeted digital and social media. As a result of our digital outreach, we are seeing an increase in our social media, search, and Champion.com that are translating to strong sales growth.

Our U.S. Instagram following stands at 2.6 million, which is up nearly 800%, and has one of the highest engagement levels among leading activewear brands. With Asia and Europe's social media platform, we currently have over 3 million Instagram followers globally. As we continue to track social media and our engagement rates, we see it as a key indicator of sales and brand inflection with our consumers. As an example during this same timeframe from April 2017 we saw double digit sales growth.

As John stated earlier we reintroduced our Reverse Weave fleece back in 2016. With this introduction, the Google search results for Champion sweatshirts sky rocketed in 2017 and we were seeing fleece sales growth up almost 50% for the same time period.

On Champion.com we are seeing even stronger growth metrics. With traffic growth up 95%, this is largely driven by younger consumers on mobile devices up which is up 124% - of which 77% of these are new consumers to the brand. In fact, more than half the traffic on our Champion.com website is 24 years or younger. - all of which are driving online sales up 59%.

And finally, our key equities measures are on the rise which is yet another key indicator of the brand's momentum with consumers that leads to purchase intent. And the growth in Champion brand equity measures are coming across all age demographics.

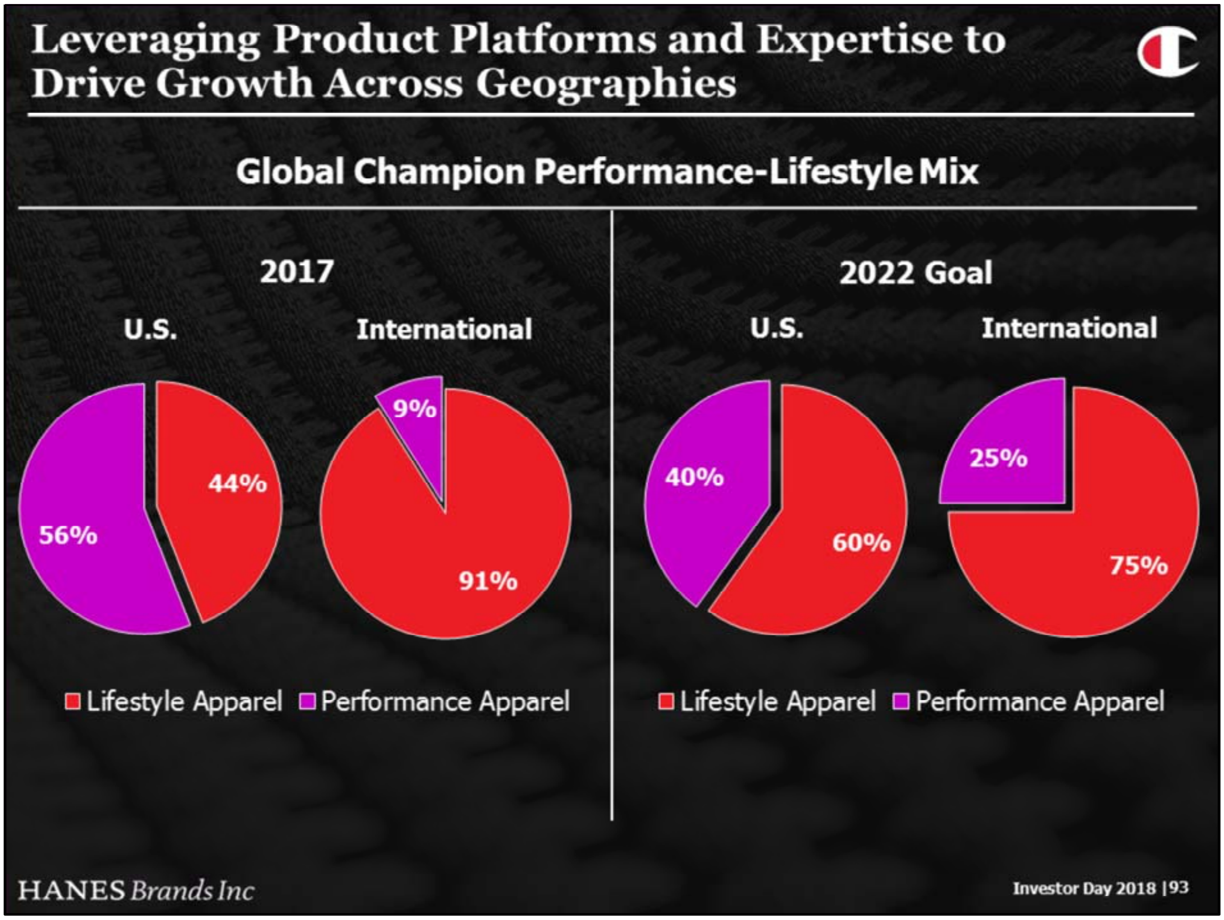
Now let me tell you a little about Champion's influencer and collaboration marketing strategy. In influencer marketing, we strategically send product to key celebrities and influencers who resonate with our consumer and brand. The past five years we have been working on building relationships with these particular influencers and sending product to them which allows us to create a great relationship and strong marketing for Champion on social media. These influencers and celebrities are not paid by us, but now they are choosing Champion on their own.

Collaborations are key in building Champion brand awareness and pushing us to new levels. Cross-branding collaborations have become one of the defining features of the industry and having Champion work with new designers or premium brands has helped us stay relevant in a volatile market. We have used this strategy for several years to speak to the visual and cultural complexity of a younger consumer. We are very strategic on who we collaborate with to ensure we create buzz around the Champion brand. We will continue to use this marketing feature with the right partners to strengthen our brand elevation and enhance our credibility with a younger and fashion savvy consumer globally.

Now let me show you in this short video how our global marketing strategy focused on celebrity influencers and designer collaborations comes to life and has helped us to elevate the brand.

Champion Brand Buzz Video

Video Playing



While Champion's brand positioning has remained remarkably consistent around the globe, product assortments and channel mix have varied between geographies. Being able to leverage regional expertise helps us grow our core business and expand into new distribution.

In the U.S., the product line is balanced between core sweats, tees and performance styles while the Champion assortments in Europe and Asia emphasize casual heritage inspired clothing. These regions are utilizing the U.S. performance platform to help better balance their apparel lines. By leveraging this expertise we anticipate 25% of International will be performance based product and the U.S. will have a better balance with 60% being lifestyle product by 2022.

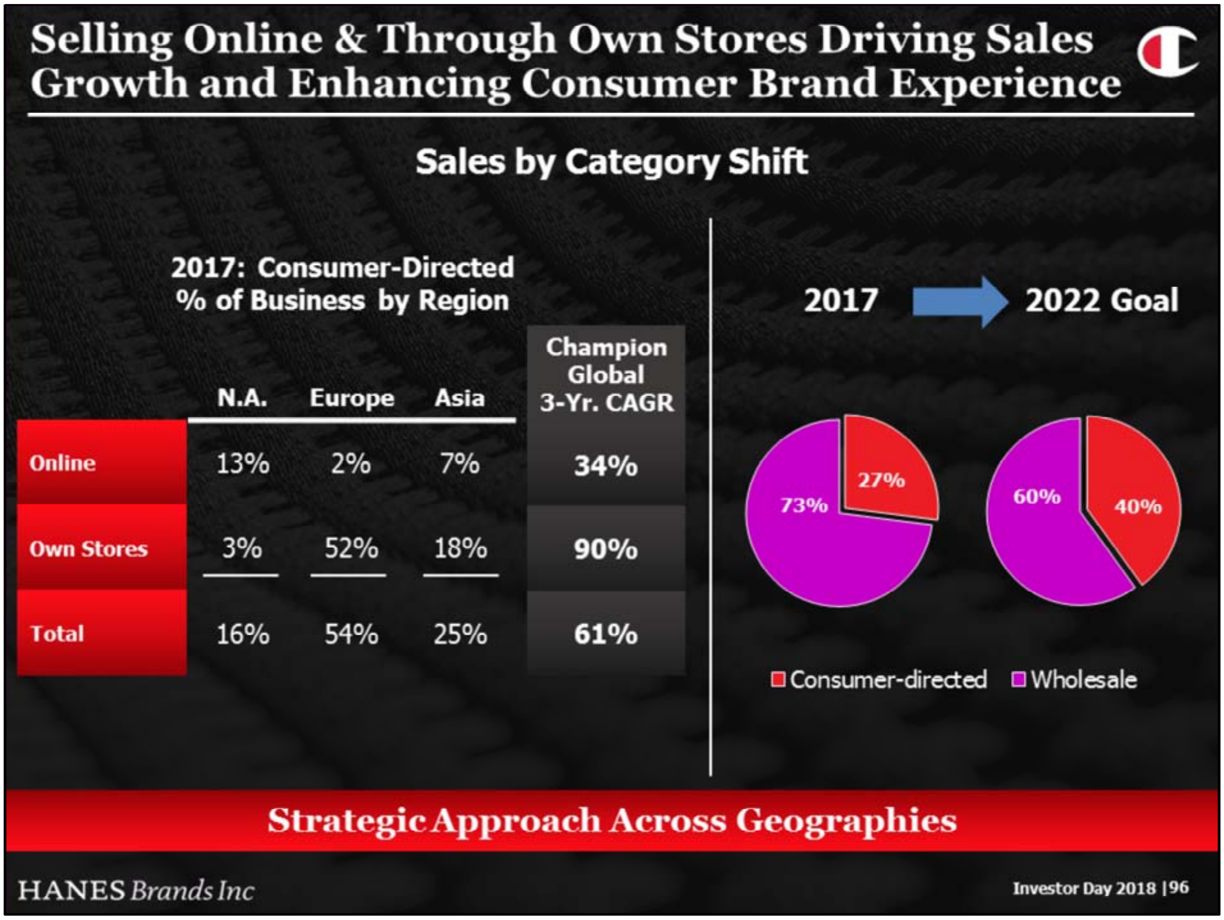
The consumer driven excitement around Champion has taken retail by storm as the brand continues to leverage its broad product offering and diverse customer base to expand distribution across segments and channels. Around driving our core and growing distribution, we have a deliberate segmentation strategy with specific focus on product, price positioning, consumer and channel.

We have to expand our product categories with introductions of new collections and expansion of existing collections. In the past we had a much narrower product assortment and distribution but over that last few years we have turned that upside down allowing us to diversify, grow the brand and reach more consumers. This also allows us to leverage current trends for a younger and fashion forward consumer. As well, we have been able to raise retails in the more premium distribution with the elevated product.

Now I will pass it to Joe Monahan, our Chief Commercial Officer for Champion Europe, who will talk to you about our strategies for growing online and direct-to-consumer sales. Thank you.

Hello everyone and thank you Susan. I am very pleased to share with you today deeper insight into our strategies for growing our consumer directed sales. You have heard a lot about how we are continuing to elevate the Champion brand and how our consumer-directed energies are truly reinforcing our position and increasing brand equity across the globe.

So why is our consumer-directed business so important to us? We see our direct consumer relationships as touch points to strengthen the consumer brand experience. This reinforces our loyal customer base and also provides a unique platform to continuously attract new Champion loyalists. Also, consumers are increasingly shopping online, so we need to insure Champion is available to them 24/7.



By diversifying our approach across Pure Play retailers, our Physical stores, our e-commerce sites and with our Click & Mortar partners, we are extremely well positioned to accelerate consumer-directed Champion growth moving forward and we will continue to employ a strong and convincing strategy across geographies.

In North America we generate 16% of Champion sales via consumer-directed, while in Europe this number is 54% and in Asia we are at 25%. The business in North America is weighted to online segments while in Europe and Asia we have a significant number of own stores.

Overall, we have successfully seen a very solid 3-year CAGR of 61%.

As seen on the right our 2017 Champion Sales revenues are 27% consumer-directed while 73% are generated through traditional wholesale channels. By 2022 we're targeting 40% of our sales to come through the consumer-directed channel, up 13 points from today.

As the title on the page says, our fundamental motives for energizing this shift are to enhance the consumer brand experience and drive sales.

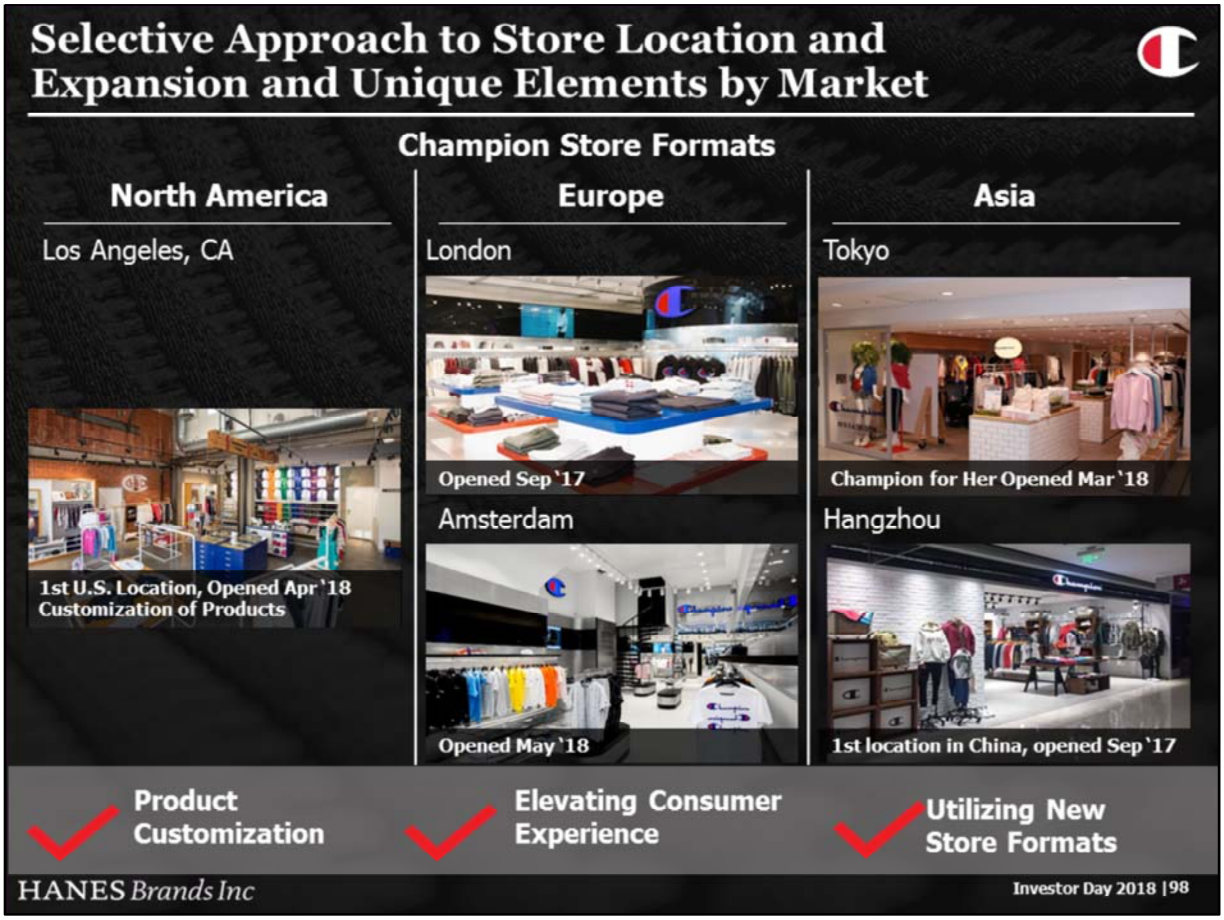
Own stores is a key focal point with Consumer-Directed. While we have a varying store count by region, the strategic use of our own retail is clearly designed to showcase our brand creating a uniform customer journey through a methodical and measured approach.

With the acquisition of Champion Europe, we brought keen retail acumen into our group. Our Champion Asia group also organically built retail expertise over time. This competency and expertise is now being leveraged globally and we firmly intend to maximize this in the years to come.

So what else can you expect? We have an unwavering approach to our store strategy - smaller formats in strategic locations that meet productivity and profitability targets.

Further, we're executing many stores through a partnership model. This model allows us to create a Champion brand experience through a wholesale transaction with retail partners that carry the capex, operating costs of running the stores and who have local market expertise. It also allows us to move more quickly.

While we will expand our retail network moving forward, we will do so in a disciplined and selective manner, always committed to that objective of driving consumer-direct share.



While we must present a consistent brand image at retail, our formats are designed to provide the platform for elements that are geo-market specific and that are adaptable playing to individual characteristics of each city.

Our first retail store in the U.S. was recently opened in Los Angeles. One of the main reasons we selected L.A. as our first U.S. location is because of its unique influence in sports and entertainment, providing a catalyst to building Champion brand ambassadors and enthusiasts. An unprompted Instagram post can drive buzz and brand excitement globally. In the L.A. store, we also offer product customization on site, a unique feature that's been well received.

Our London location in Soho, has a strong mix of both tourists and local residents. This creates stability with a repeat-customer base and drives incremental opportunity with the tourist trade. And in Amsterdam, we're testing a Ship-to-Home service maximizing consumer convenience.

In Asia, we've recently opened 9 locations in China, in alliance with a formidable partner, allowing us to accelerate our business, leveraging specific market command and know how. In Japan, in addition to our regular Champion stores, we're testing a women's format, aimed at curating a gender-specific retail environment. Early results are promising and we are evaluating expansion of this format.

What we are showing here is that our global retail expansion is intentional and targeted, builds brand value and stimulates consumer love for the brand. With the continued rollout of our network we will be consistent globally, but flexible enough to be relevant locally.

Another focal point I want to highlight today is e-commerce. Through the utilization of three key online formats, we elevate the brand, and drive business volumes, in a manner that reaches consumers via the medium of their choice, be it desktop, tablet or mobile. We have created dedicated online resources to leverage expertise across online formats.

By placing the Champion brand where our target consumer wants to shop, in a very deliberate way, we ensure maximum consumer convenience. We are also reaching our Champion enthusiasts through social media platforms as mentioned by Susan, and we are using click-to-buy from some of those platforms.

Moving through the axis in the overview, our online exclusives and limited-production collaborations drive brand awareness, buzz and equity. Pure Play drives volume by cultivating successful partnerships with the world's leading e-commerce retailers, such as, Amazon across all geographies, Zalando in Europe and Tmall in Asia.

Delicately balanced between exclusivity and volume, we have truly primed ourselves for additional growth opportunities with our own Champion sites and our Click and Mortar partners. This balanced approach is key - not only has it already provided strong results, it offers a springboard for continued acceleration.

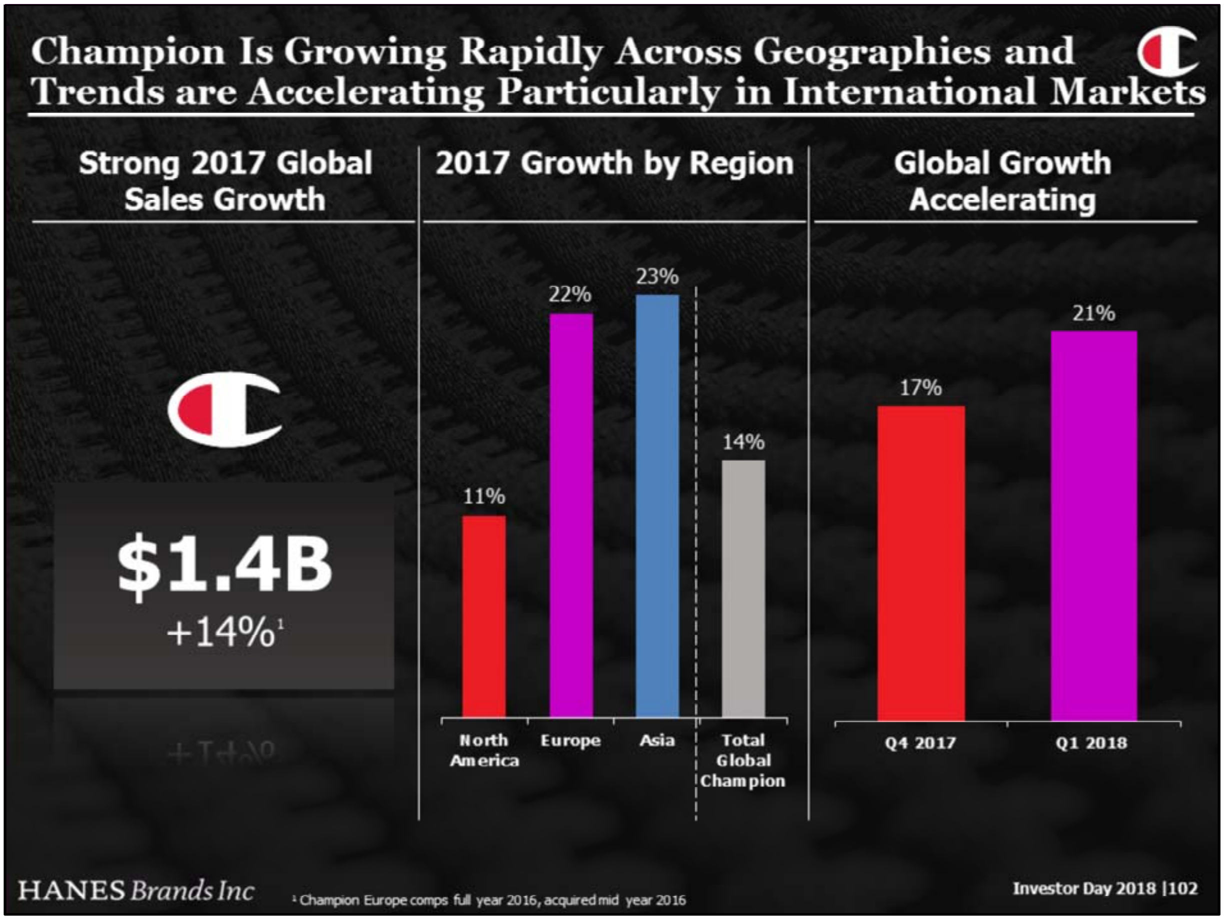
Our e-commerce efforts are driving results across all 3 geographies. In North America, we have achieved a 35% 3-year CAGR with our strategic pure-play partners. In Europe we are currently running an Average Order Value of $140 on our own site, which we just recently launched. In Asia, we have reached a 38% 3-year CAGR on our Champion Japan site, and we're preparing to launch sites in China, Korea and Thailand.

Some of these online efforts are still in their infancy, so we see a lot of upside. We feel extremely confident about our global-combined efforts to penetrate existing markets and enter into new ones quickly. This approach insures a common and deliberate brand experience across geographies and languages.

To close, our strategy for Champion to move closer to the consumer through our consumer-directed efforts is determined and consistent. Using own stores and online formats, we are in position to reach or exceed our objective of 40% in consumer-directed sales by 2022.

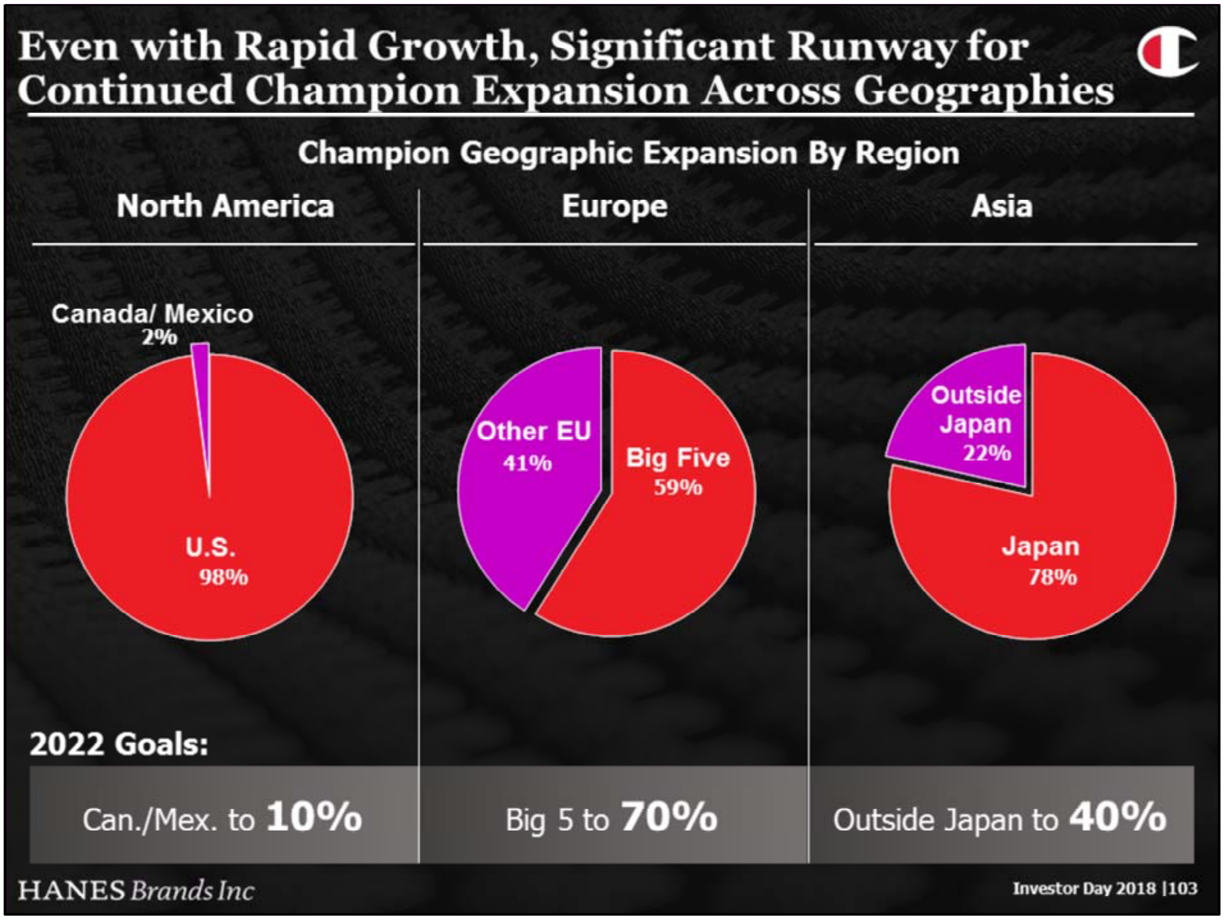
Thank you very much for your attention today. Next up is Hirano-san, our very talented colleague running our business in Asia. He will take you through our Geographic Expansion strategy.

Thank you, Joe, and good morning everyone. My name is Hirano. I am glad to be given this opportunity of talking to you about the third piece of our three global growth strategies -- geo expansion.



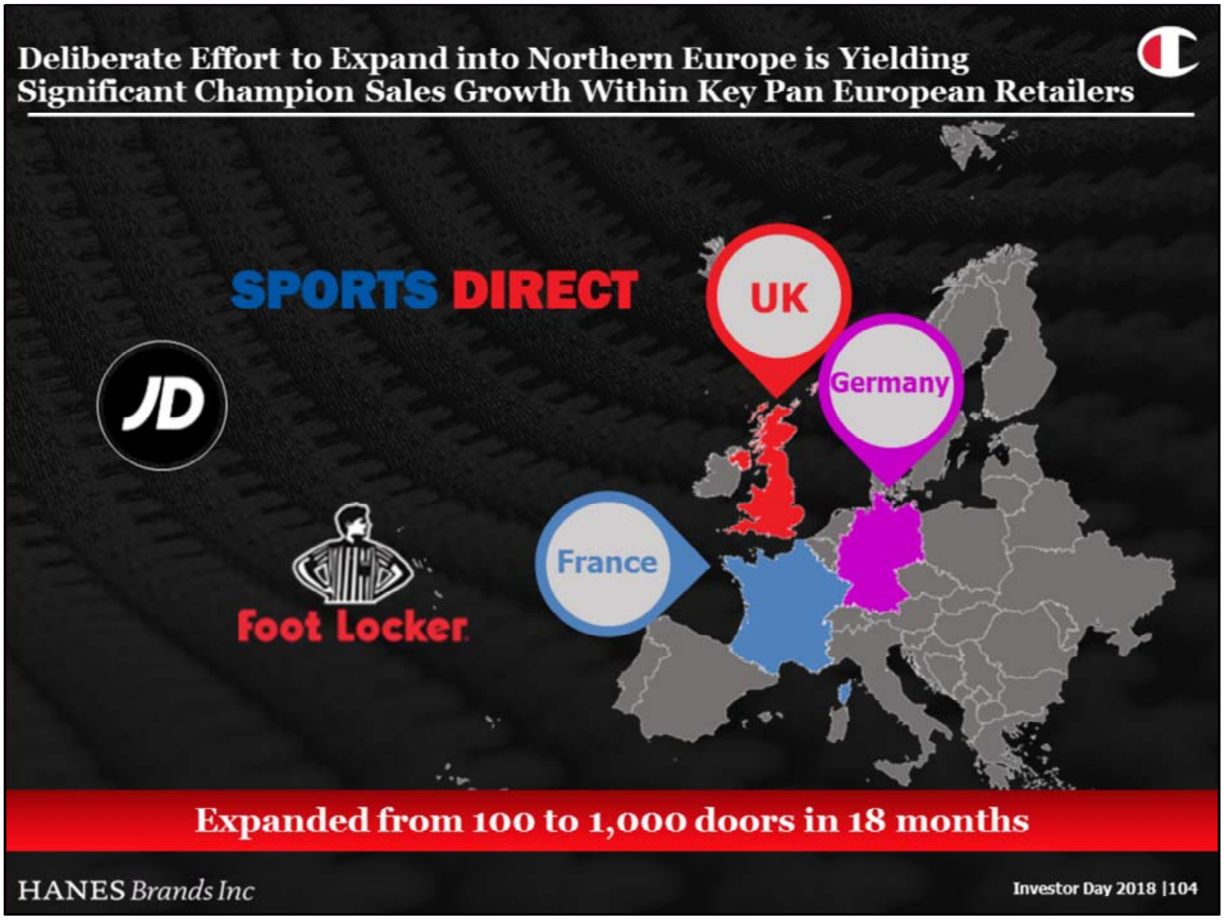
As you have already seen in our presentations, Champion has been enjoying strong growth momentum, with 14% year-on-year sales growth recorded last year. All geographies are growing, with international businesses growing the fastest.

While our 2017 full year Champion global growth performance was 14%, we've delivered back-to-back quarters of accelerating growth at 17% and 21% respectively. While quarterly growth rates can fluctuate, the trend is promising.



With the digital and online revolution, demand for our Champion brand crosses borders. Our social and digital platforms are global in nature and lay the groundwork with consumers and customers to engage with Champion beyond its historical geographic boundaries. This enables acceleration of global growth with our wholesale customers and with our own retail and online efforts.

We've demonstrated rapid sales growth in new geographies with significant room to run. In North America, we should be able to increase the contribution of Canada and Mexico to 10% in a few years. In Europe, where 35% of our Champion business is currently done in Italy, we will elevate our presence in France, Germany, Spain and the UK to grow the business composition of what we call the "Big 5" to 70%. In Asia, we will establish meaningful business outside Japan and build it to 40% of the total sales in Asia.



Beyond our own retail expansion, large retailers are seeing the same consumer momentum for the Champion brand and are partnering with us to grow. For example in Europe, the fuel of our geo expansion from Italy to the other 4 of the "Big 5" countries is strategic partnerships with key sporting goods retailers, namely, Foot Locker, JD Sports, and Sports Direct.

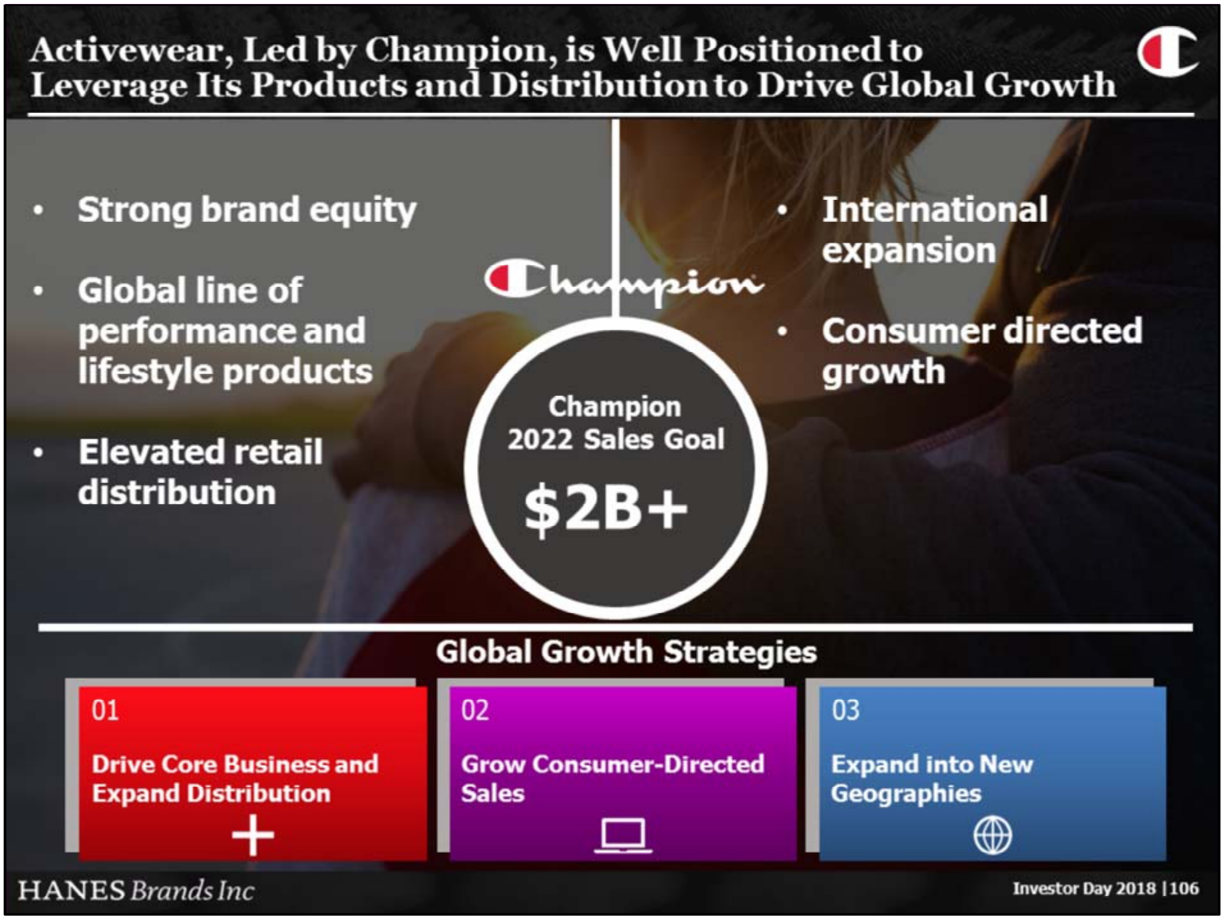
In the season of spring-summer 2017, Champion was only available in 100 doors of these Pan-European key accounts. In the fall-winter season of this year, Champion will be available in as many as 1,000 of their doors. Northwest Europe wholesale pre-bookings for the season recorded triple-digit growth in France, Germany, and the UK.

These 3 retailers alone have many more doors and there are many other wholesale target accounts.

In Asia, in addition to our wholesale partners, Champion retail is the vehicle of our geo expansion outside Japan, including stores and online. Here, instead of us directly investing in and operating Champion retail shops and e-commerce sites, we are engaging partners to do so, as Joe discussed earlier. Simply put, this partner model enables us to quickly expand Champion throughout Asia without capital investment and without handling country-specific complexities. We control the consumer brand experience but with less investment and lower risk.

In the coming few years, our plans are to have over 250 Champion stores throughout Asia. In China, our partner opened the first 9 shops in the last six months and will have opened 35 shops by the end of this year. We're targeting other areas where we have a growing presence, such as South Korea, Taiwan, Hong Kong and even Australia.

Thank you, and now I would like to turn it back to Susan for a summary.



Thanks Hirano. Let me summarize Champion for a moment before closing with the broader total Activewear takeaways. I hope you sense the enthusiasm and optimism the Champion team has for how well the brand is positioned for achieving its targeted growth.

Consumers are engaging with our marketing efforts, driving growth in brand equity with all age groups. We have performance and lifestyle product platforms which we are leveraging from our global supply chain. Our efforts to elevate our retail distribution have traction with customers and consumers. Our international footprint is growing and has significant additional opportunity. And our consumer-directed efforts are enhancing the consumer brand experience and propelling sales like never before. It's fun to be a part of Champion and we are positioned to keep the momentum going.

Now let's wrap up activewear. John shared how we have transformed the business and driven strong results. He also presented how we view the market as favorable and that we have a unique engine to drive our growth strategies. We have scalable product platforms and robust customization capabilities from our own global supply chain. Our distribution is less dependent on commodity-oriented mass channels and is increasingly better and more direct to consumer. Our Champion leadership team shared how we are driving global growth with product segmentation, differentiation, and geographic expansion. And finally, we are positioned globally for profitable growth with a talented leadership team.

I'm going to leave you with a video on the upcoming 100 year anniversary of Champion.

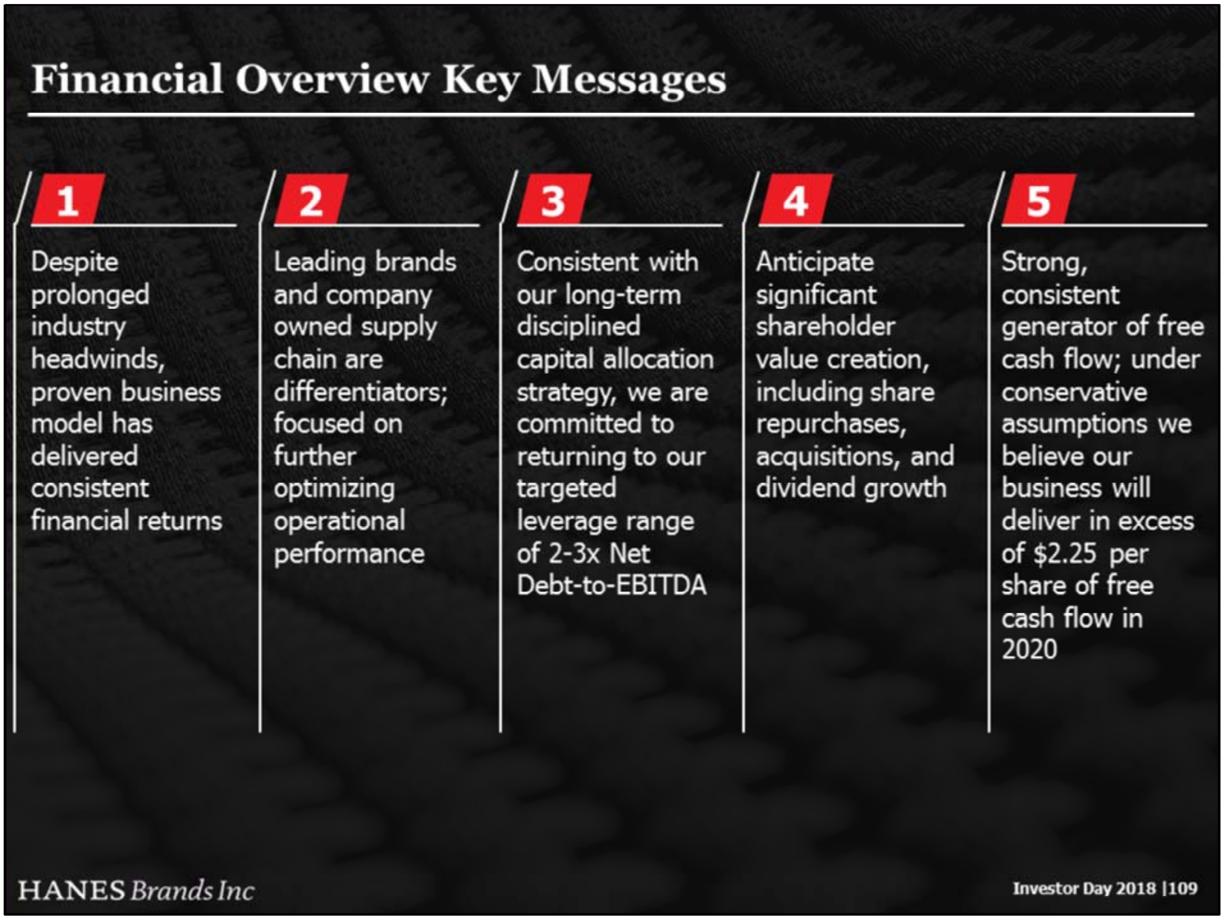
Then Barry Hytinen, our CFO, will take the podium for a deeper dive on financials. Thanks.

Champion 100 Year Video

Thanks again for joining us for our investor day. By now, I think you can see we have considerable opportunities to drive growth.

From our Global Innerwear business as we see a return to performance consistent with the category, to our Global Activewear business where the Champion brand is fueling growth around the world, to our online and consumer-directed growth initiatives, to our recent acquisitions.

We see opportunities throughout the business to improve sales and profits.



Before we turn to the Q&A portion of the event, I would like to discuss our business model and the shareholder-value opportunities we see. Over the course of the next 15 minutes, I will take you through a few key call outs:

First, despite challenges including the recent period of industry headwinds, our business model has been proven to deliver consistent financial returns over time.

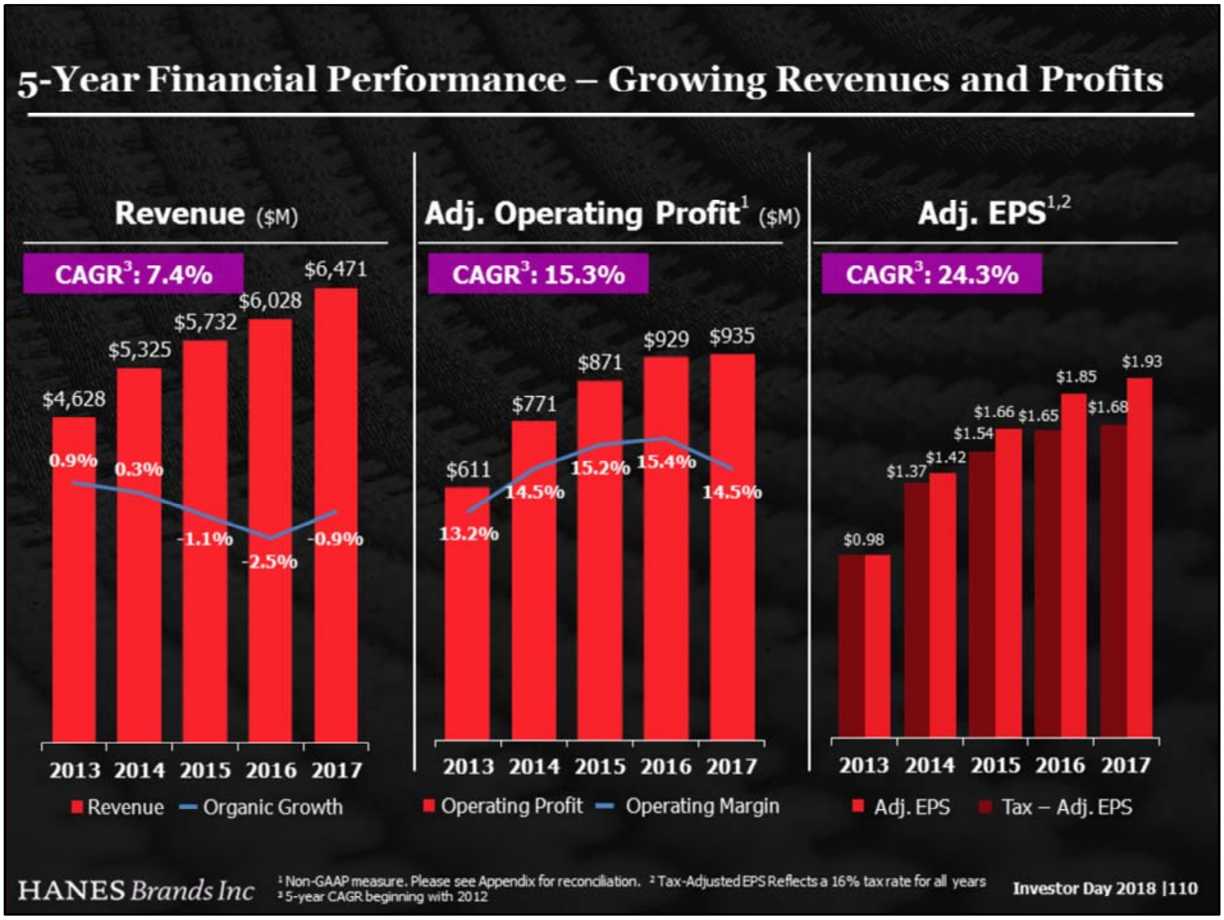
Second, and, as the team has illustrated, the business model is driven by a combination of leading brands and our company owned supply chain. These are key differentiators, which we will continue to leverage to further optimize the performance.

Third, we have a clear, long term capital allocation strategy, which helps drive financial performance.

Fourth, the combination of our strong cash generation and our capital allocation strategy position us to create significant shareholder value over the next several years through share repurchases, acquisitions, and dividend growth.

And, Fifth, the company generates a lot of cash.

With conservative assumptions, we believe our business will deliver in excess of $2.25 per share of free cash flow in 2020. So, I think our stock is trading at quite an attractive valuation, even if you were to discount our projections.



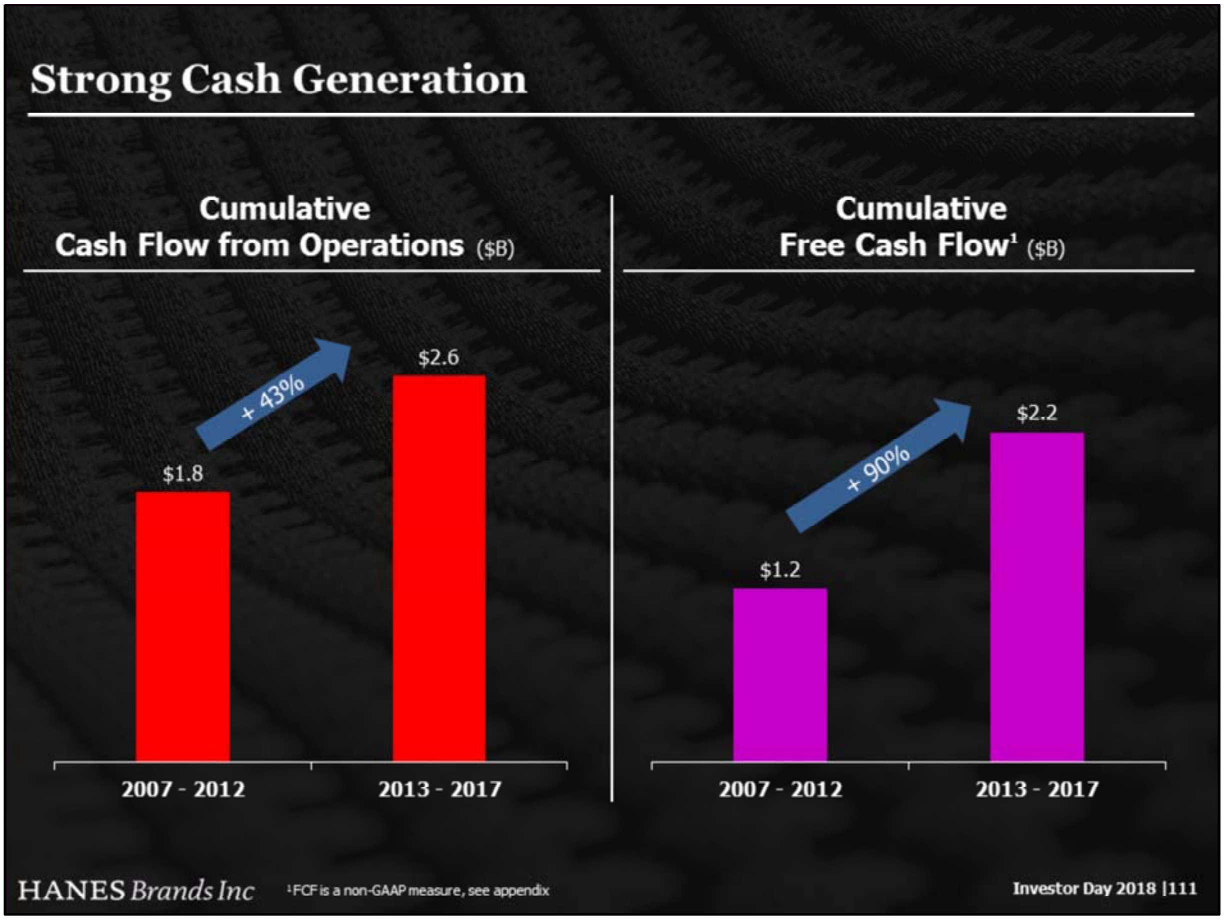
As we have talked about over the course of the day, the business has grown considerably over the last five years, at a compound annual growth rate over 7%. Organic growth has been challenged primarily due to category trends.

As I think you have seen, we believe we are now well positioned to drive more consistent organic growth. Our confidence is based on several things. We have diversified the business model, lowering our mix of U.S. wholesale. We have broadened our opportunities through international acquisitions. We have supported our brands through investments in marketing and product development. We have invested in our online channel capabilities. And we expect the U.S. industry headwinds to begin to ease and eventually stabilize.

Looking at operating profit, it has grown much faster than sales. Though our operating margin has been down recently as we deal with the combined effect of organic sales and temporarily lower international segment margins. Recall, essentially all of the remaining synergies will flow through the international segment. So, we expect those margins to continue to improve over the next few years and help drive the company’s profitability.

With that profit performance, together with our capital allocation strategy, EPS has grown much faster over the period. Given the recent US tax reform, let me note our expectation is that our go forward tax rate is 16%. Naturally, this impacts comparability. So, we have shown reported EPS and what it would have been in each year if the rate had been 16%, which is a level not far off where we had been a few years ago. In fact, that's why you see 2013 at the same level of EPS in either view.

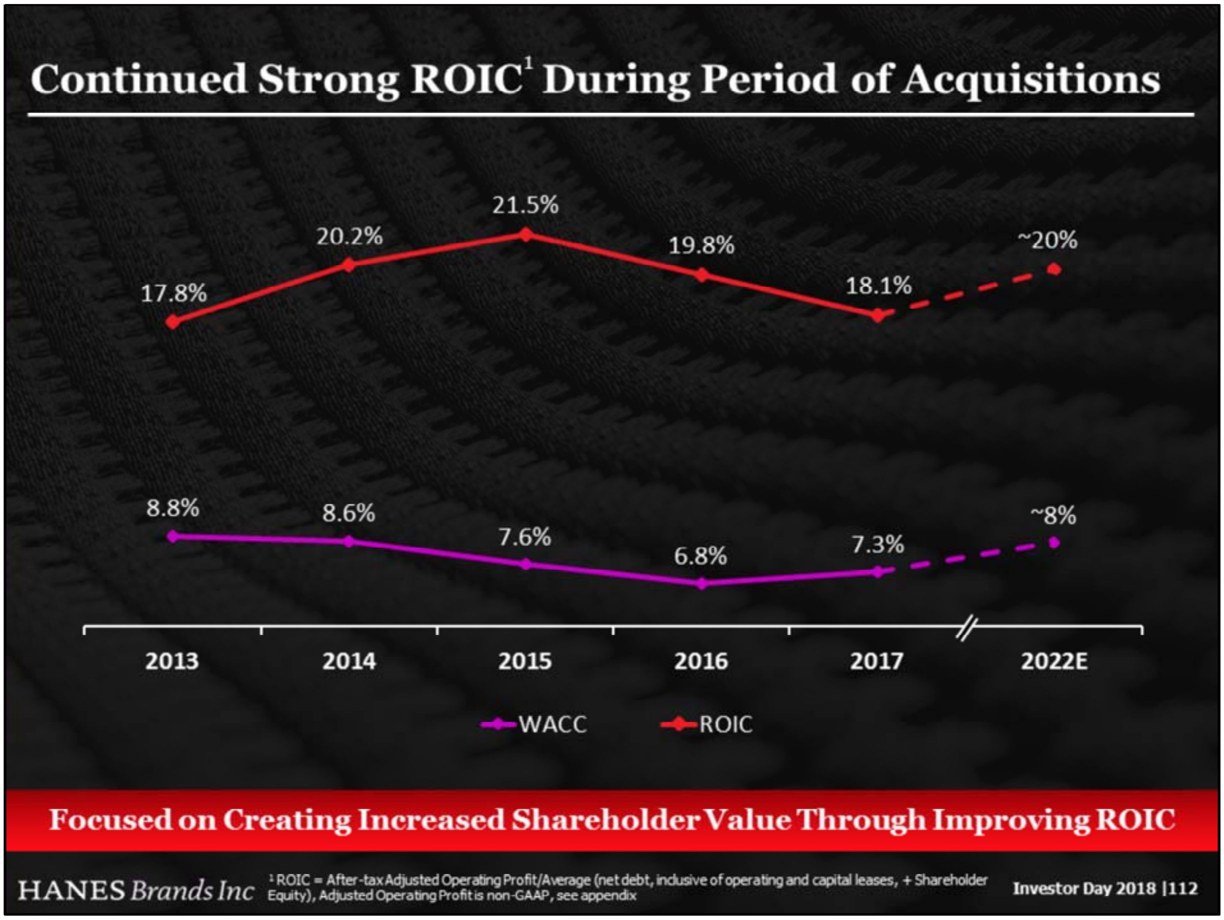
Over the next few years, we expect to see meaningful EPS growth with only modest expansion in operating margin together with our disciplined capital allocation strategy.



Fundamentally, I think about our business as a cash machine. So, I wanted to spend a moment talking about cash generation.

From a cash flow from operations standpoint, let's look at performance over two distinct periods. In the first six years after spin, we generated $1.8 billion. During the following five year period, ending in 2017, we began to see the results from our Sell More, Spend Less, Generate Cash strategy. We introduced innovation. Thanks to our strong brands, we were able to price to offset inflation. We leveraged our low-cost, global supply chain. And we divested commodity businesses. The result was nearly $2.6 billion of operating cash flow, over 40% higher than the previous six years.

And with the strong, efficient supply chain that Mike spoke about, our requirements for capital expenditures are relatively small, which is why our free cash flow over the last five years was 90% higher than the previous six.

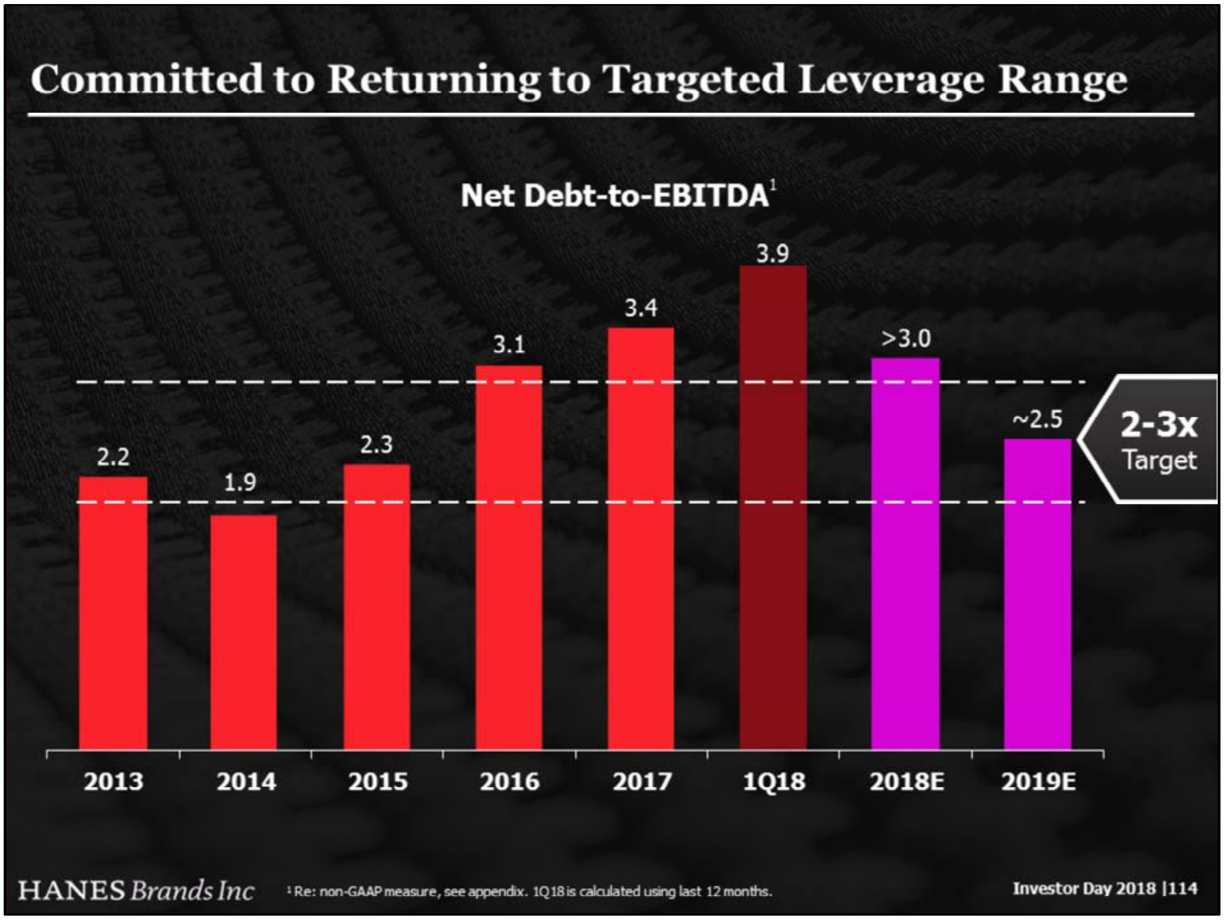


With that sort of cash generation and the margins we talked about earlier, our business generates strong returns on invested capital. The team has always done a great job generating returns far in excess of our weighted average cost of capital. And we expect to continue to do so, under any scenario.

We will tightly manage the business to ensure investments are made only in high IRR projects. And with modest margin expansion, we expect ROIC to return to approximately 20% over the next few years.

Having joined the business last fall, on occasion investors have asked me for my observations. On the strengths, I think you have seen these throughout the presentation here today so I'll just touch on them briefly: The business model is proven and has been tested through the economic cycle and through various industry challenges. The cash generation, while not always perfectly aligned with expectations, is strong. Turning to acquisitions, as an outsider coming in, I had read investor notes about the skepticism related to the synergies. I think Francois and Mike talked through some great examples of the power of our business model and the leverage we can drive through acquisitions. After joining, I spent a considerable amount of time looking at the synergies. They are highly compelling. And, you should expect to see even more benefit from synergies over the coming years. The company is focused and there's a lot of domain expertise here. I have been so impressed by the team and the discipline we have in the company. In everything we do, whether it be sales, marketing, distribution, supply chain, and, including capital allocation, we are a focused company.

With that said, we have opportunities where we can continue to improve. First, our forecasting and our performance have been uneven. We have spent a considerable amount of time focused in this area and on our financial discipline. We aim to continue to improve in this area. Second, acquisition and integration charges have been high and protracted. We recognize there is fatigue related to these charges. We are committed to ending all of them by the end of 2019. Third, we have heard feedback and requests to provide more insights and visibility into our business. While I think you'll agree we need to be mindful of competitive and proprietary factors, we want to provide investors as much visibility as we can without compromising the business. I expect you saw elements of that in our last earnings report where we provided clear views on business trends; including visibility around the U.S. Basics and Intimates businesses, views on our Champion business, and additional insights into the drivers of operating performance. Another opportunity is our leverage ratio, which is above our target range.



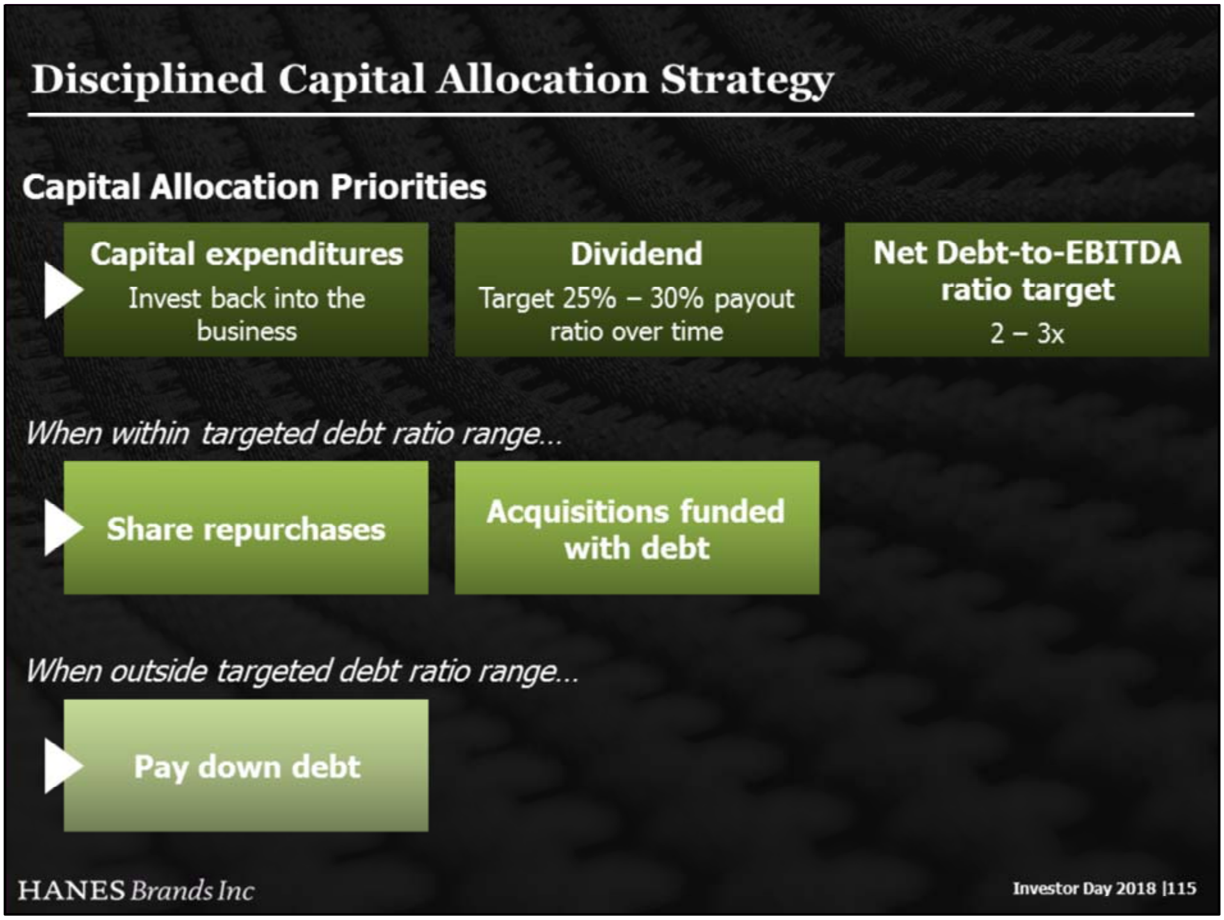
There are some good reasons for this.

We have completed 10 acquisitions since 2013 as part of our strategy to diversify our business to provide more consistent organic growth.

And, with our opportunistic acquisition of Bras and Things, together with normal seasonal use of cash, we ended the first quarter at 3.9x net debt to adjusted EBITDA. I am confident in time our strategy will be shown to be an excellent use of capital.

That said, our focus is on finishing up the remaining integrations and reducing debt. By the end of this year, we expect to be approaching the high end of our target - a little over 3 times.

As we move through 2019, we expect to be inside our target range. And, at that point, you should expect us to return to share repurchases and acquisitions.



Earlier I showed you how we are able to invest our cash flow to drive strong returns well in excess of our cost of capital. And with our outlook for even greater cash generation over the next several years, I want to ground everyone on our disciplined capital allocation process.

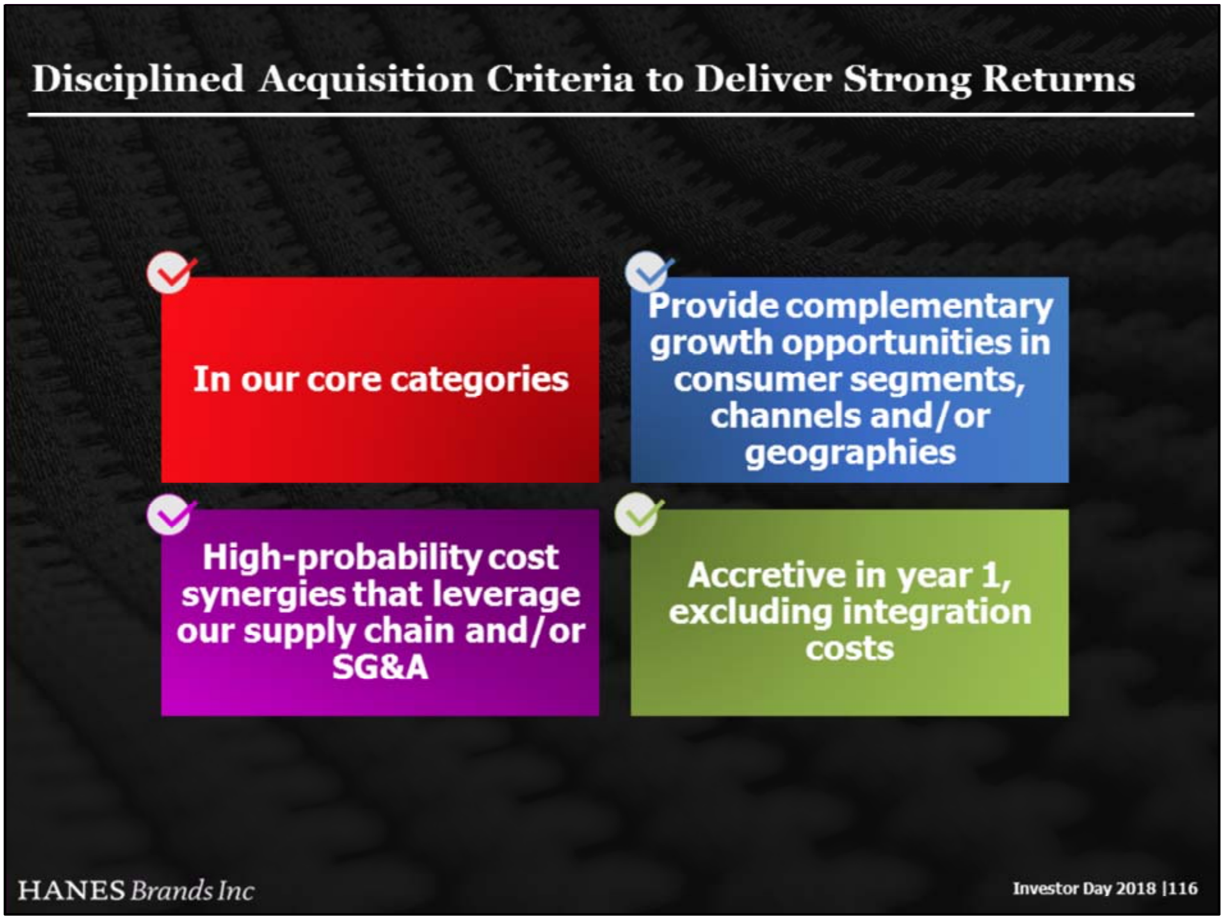
The business always gets the first call on the cash. As we find high return projects to grow our business, we will do that. Over the past decade, we have invested over $1 billion in capital expense, as Mike explained our supply chain is in great shape.

Going forward, we expect to invest less than 1.5% of sales in cap ex. That's about $100 million annually, for maintenance and growth capital combined.

The next priority is our dividend. Our dividend payout ratio is 25 to 30%. Due to the impact of tax reform last year, we are a touch above that currently. So we will grow into that range and then you should expect the dividend to grow commensurate with earnings.

We have a clear target for leverage. When we are within that range, we will opportunistically deploy excess capital to repurchase shares and/or acquire complementary businesses.

And, when we are outside that range, you should expect us to deleverage and pay down debt.



I want to highlight our long standing, strict criteria for acquisitions.

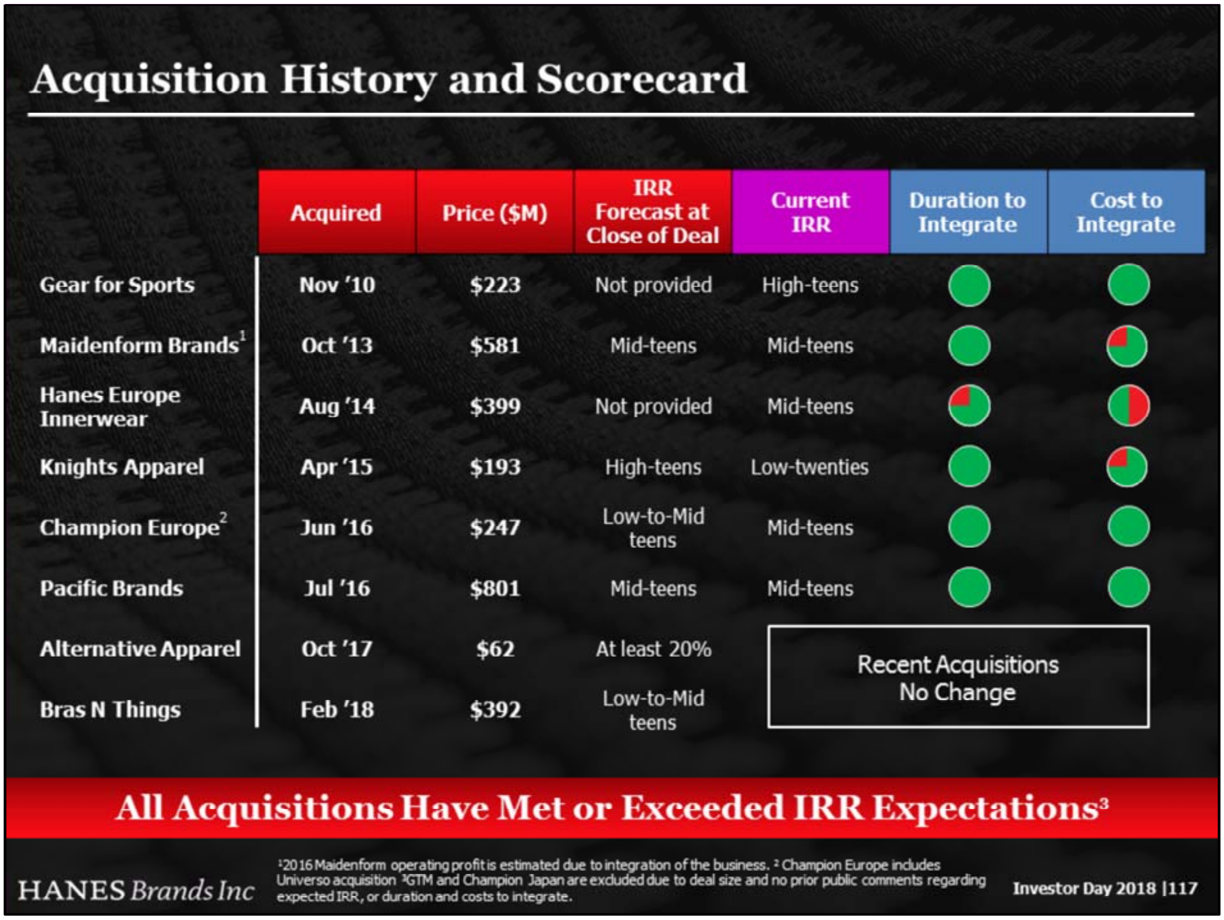
First, they must be within our core categories - categories where we have that domain expertise I spoke about.

Second, they must provide complementary growth opportunities in our segments, channels or geographies.

And, third, they must generate highly probable cost synergies leveraging our supply chain and global SG&A platform.

And, as we are price disciplined, they must be accretive in year 1, excluding integration costs

It is a focused approach to acquisitions.



Let's take a look at a scorecard of how we have done over the last few years with respect to some of our key acquisitions. We have scored them based on current view of IRR versus our plan at the time of the purchase, how long it has taken to integrate, as well as the cost to integrate.

Without going through these individually, let me note a few things:

First, each of them has met or exceeded our stated expectations for return.

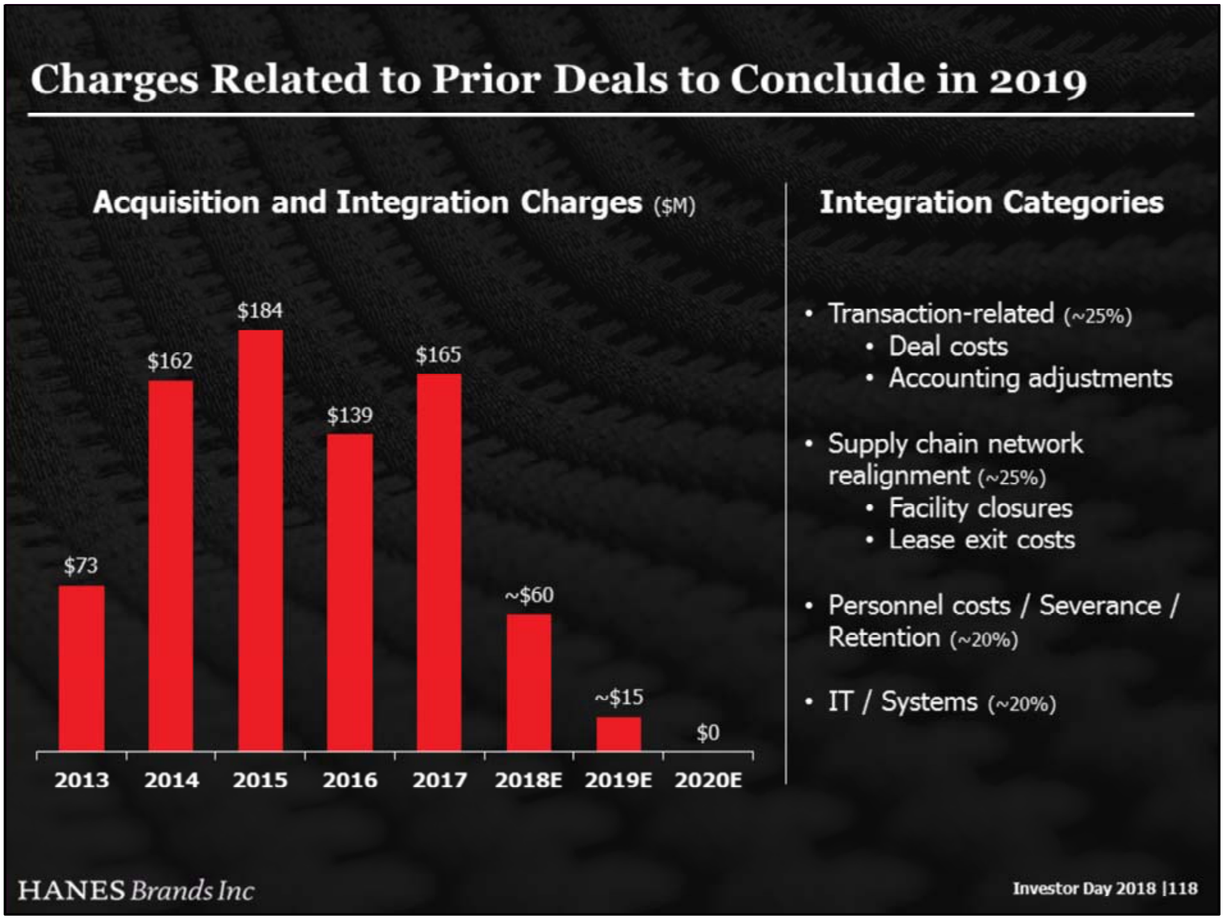
Second, everyone has achieved at least mid-teens IRR, well ahead of our cost of capital.

Third, with only one exception, all of them have been integrated in the time we expected.

And, fourth, the cost to integrate has been in-line with our expectations.

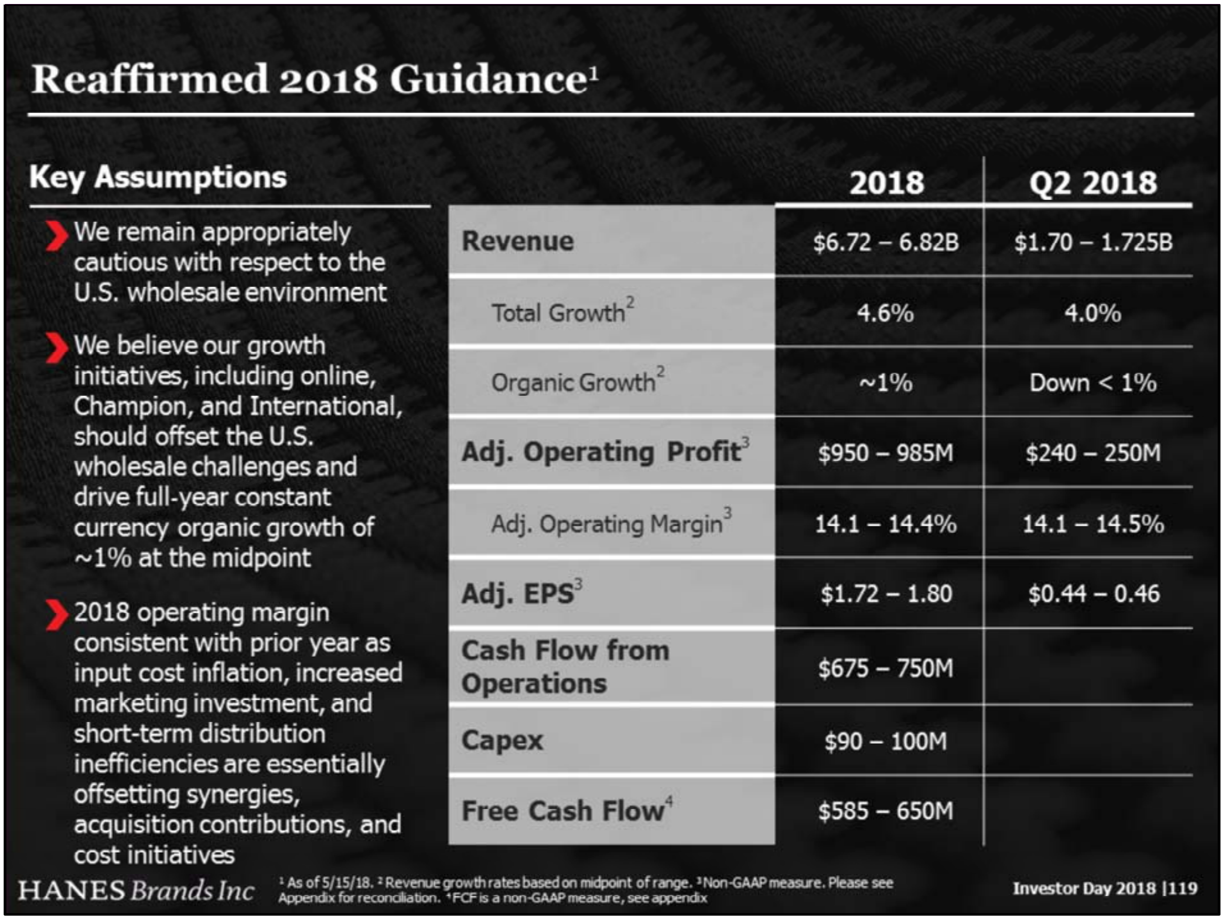
In the case of Hanes Europe, this acquisition has taken longer and cost more than plan. A learning on that deal is that acquiring a loosely integrated roll up in Europe has challenges.

With all that said, the team has delivered considerable synergies that drove the massive operating margin improvements that Francois spoke about earlier. And, on top of the margin expansion, we have given ourselves a solid platform from which to grow in the European Innerwear market going forward.



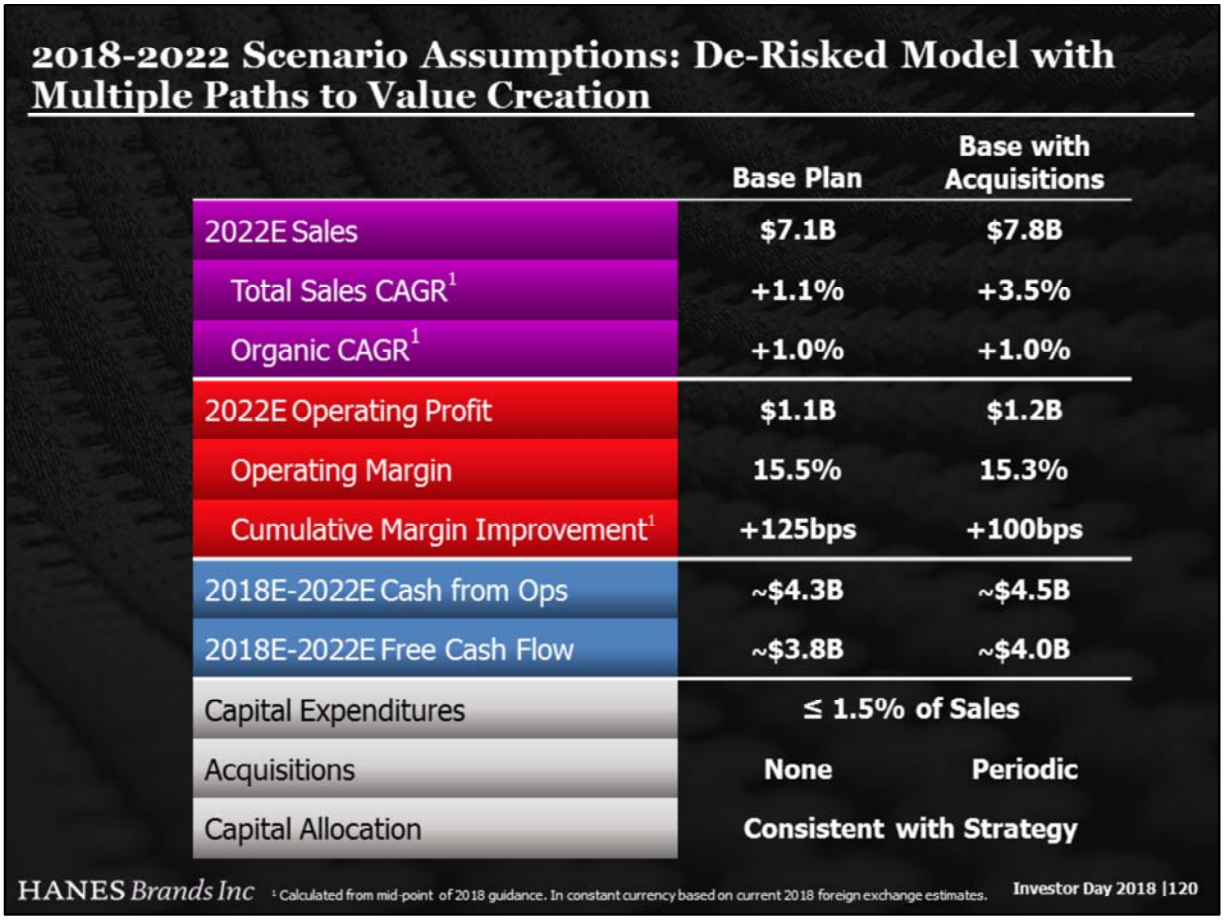
Over the next 18 months, we will complete the ongoing integrations we have in process. And, related to that, we will end all integration charges related to our prior deals.

Putting some context around these integrations, approximately 90% of the charges haven fallen into the four main categories listed on the right.

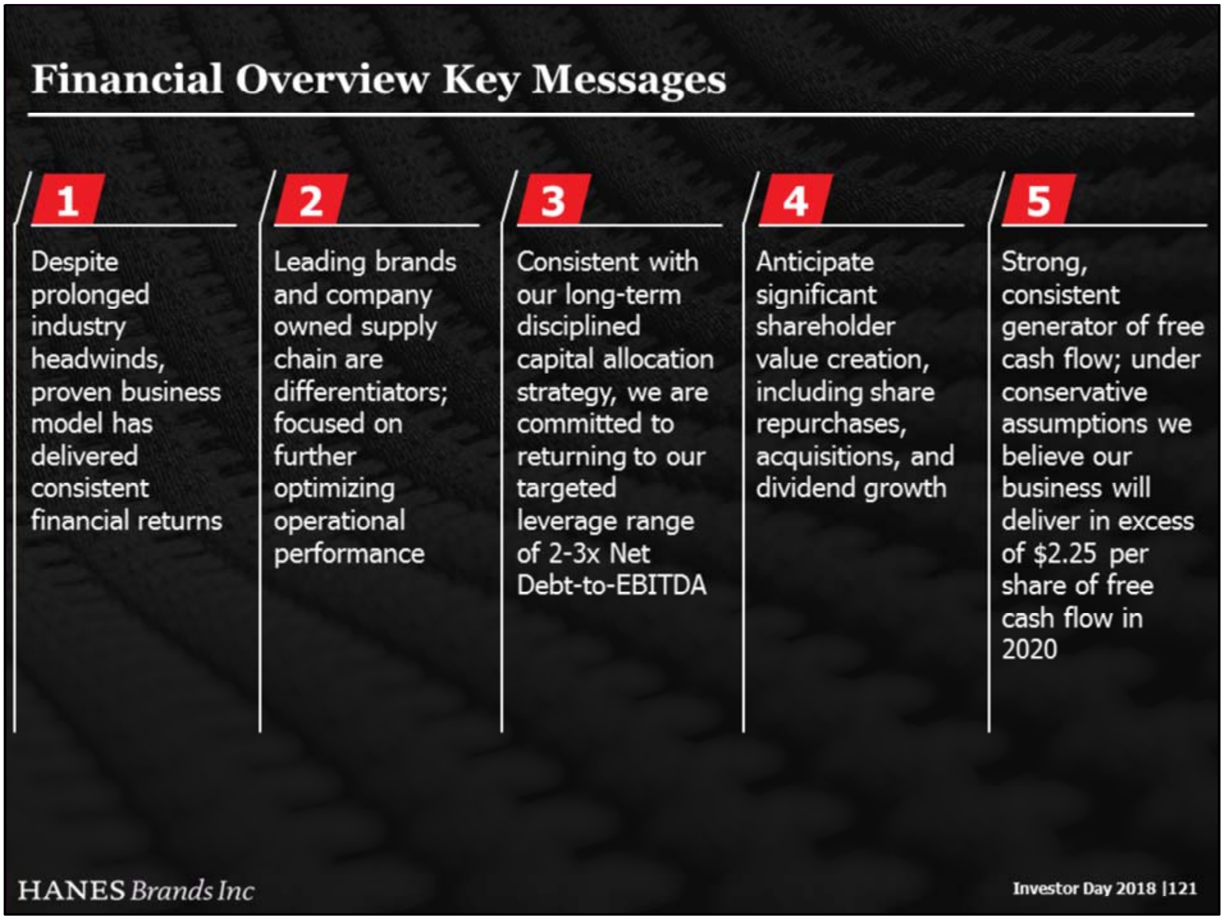


As you probably saw in the press release this morning, we reaffirmed our full-year 2018 guidance as well as the guidance we previously issued for revenue, operating profit, and EPS for the second quarter.

On our last couple calls, we've had the opportunity to discuss 2018 in detail.



So today, we thought we would frame out a couple of scenarios for how to think about our business over the next few years. These are not meant to be viewed as a best case model at all. Rather these are meant to be a view of what we think the business can deliver if we simply grow revenue organically at 1%, with only modest margin improvement. To put the 1% in perspective, that would reflect growth that is modestly below the historical industry averages for the categories we address. Of course, we are working every day to drive market share and profitable growth, and expand earnings as fast as possible. But we thought framing what the business can generate in a de-risked model would be helpful. In this base case, we have assumed no future acquisitions. We have also provided a view of what we think is possible under the same base case, along with a periodic acquisition or two. You heard today about a lot of opportunities for growth across our business. Far in excess of a 1% CAGR. So, in our base case, we are significantly discounting those to assume: Global Innerwear growing at a CAGR of about 30 basis points and Global Activewear growing at a CAGR of approximately 3%. Both from the mid-point of our guidance for 2018. Embedded in that is an assumption that our U.S. businesses remain flat, with innerwear slightly down and activewear slightly up. With the initiatives that Howard and Susan discussed, we think our base model for the US businesses is conservative. Internationally, you heard today about considerable drivers of near term growth; Champion expanding throughout Europe, significant new store expansion in Asia, and our strong position in Australia. Just to call out a few. In our base plan, we are assuming a constant currency CAGR of 3.5% for our international business. Again, what we believe is conservative. You also heard about considerable benefits related to synergies, operating leverage and scale. In this base assumption, we assume Operating Margin improvement of only 125 basis points from the mid-point of our 2018 guidance. This assumes we achieve the remainder of our existing synergies, our expectations for net Booster savings. In addition, it includes the 2019 pricing benefits that Howard mentioned. Partially offsetting these, we have taken a cautious view toward mix, with headwinds planned to result from faster growth of lower-margin businesses. Given the strength of our brands, and opportunities to drive performance, we think 125 basis points is highly achievable. Given the dynamics of our business model, this base plan generates a lot of cash. Nearly $4 billion of free cash flow over the next five years, which is more than the company has generated in the prior eleven years combined. Under this scenario, once we are back within our targeted leverage range, you should assume significant share repurchases resume. So, EPS should be growing MUCH faster than profit. With respect to the acquisition scenario, we assumed we are able to make two small to mid-size acquisitions. Essentially, that's the only difference between the two scenarios. Since we will be deleveraging into 2019, we assumed one acquisition at the start of 2020 and one at the end of 2021. Naturally, we would grow sales and profits faster, while our margin assumption is tempered by the expectation for new acquisitions to take a few years to deliver full synergies and achieve margins in line or better than the company average. And under this scenario, we will be approaching our goal of one billion dollars of operating cash flow in 2020. In the interest of being balanced, we also ran a zero growth scenario. In that scenario, our cumulative operating cash flow would be approaching $4.2 billion over the next 5 years. And, I'll note that this assumes no benefit from working capital opportunities. So in summary, even under these de-risked assumptions, I think you can see the tremendous potential for shareholder value creation. These scenarios together with the plans the team presented today, give me the confidence in my belief that our stock is highly compelling.



So in conclusion,

We are well positioned with strong brands and a proven business model.

We are committed to deleveraging and bringing our debt in line with our long term target range.

With our strong cash generation, we see a path to significant shareholder value creation through share repurchases, acquisitions, and dividend growth.

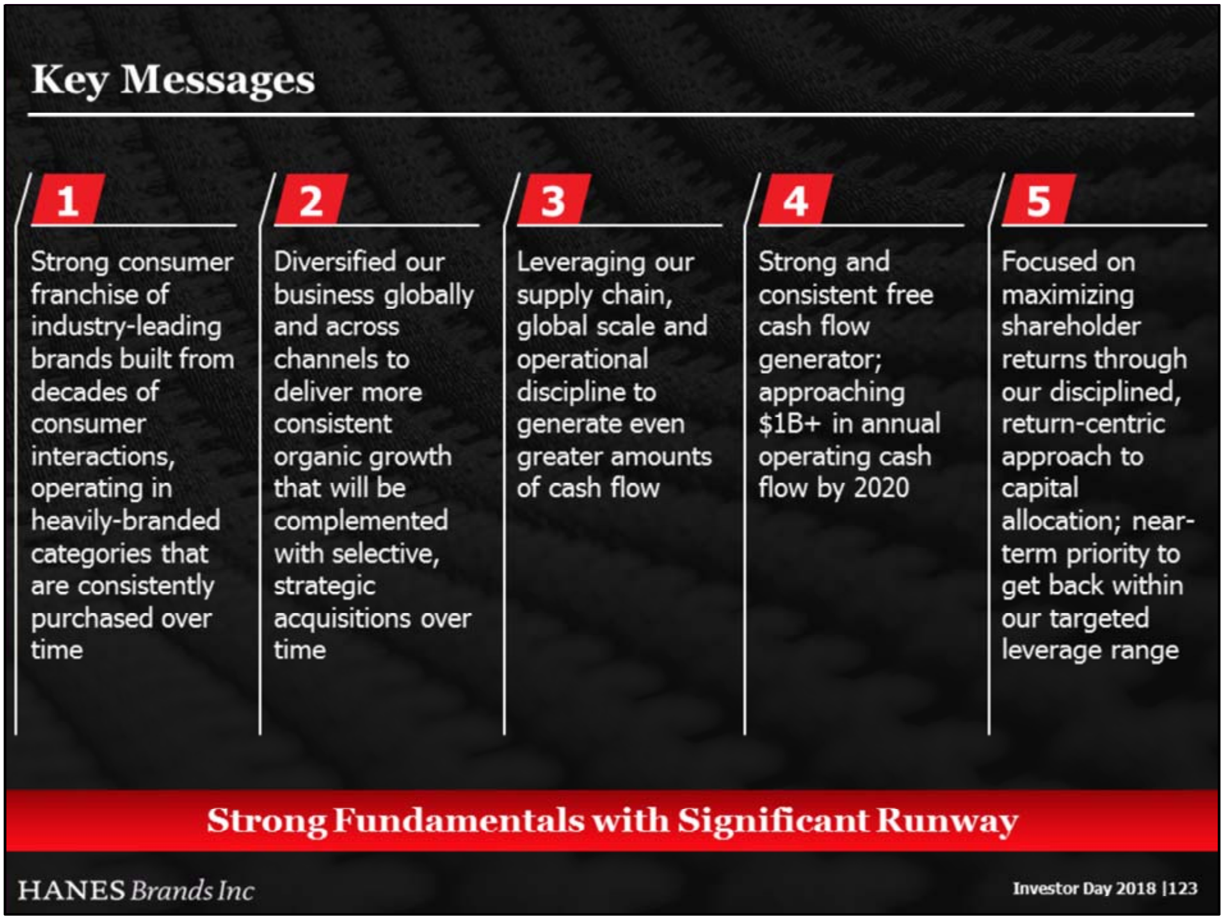
And, with our conservative base model, we believe our business will deliver in excess of $2.25 of free cash flow per share in 2020.

Thank you for your interest.

And now, I would like to turn the presentation back over to Gerald.

Before we go to our Q & A section, I want to thank each of you for joining us today, and express special thanks to those who made the journey to Winston-Salem. I also want to wish John Marsh all the best and thank him for his many contributions to Hanesbrands.

Today, you have heard and seen how strongly we believe in our business model, which has delivered record sales and profit growth for over a decade. We certainly recognize that the environment in which we operate has been challenging the past few years, and our results have not always met expectations. Therefore, we have adapted our strategy in order to position Hanesbrands to consistently deliver better results in the years ahead. And with that, we feel confident that we are on track to deliver increased value to our shareholders.

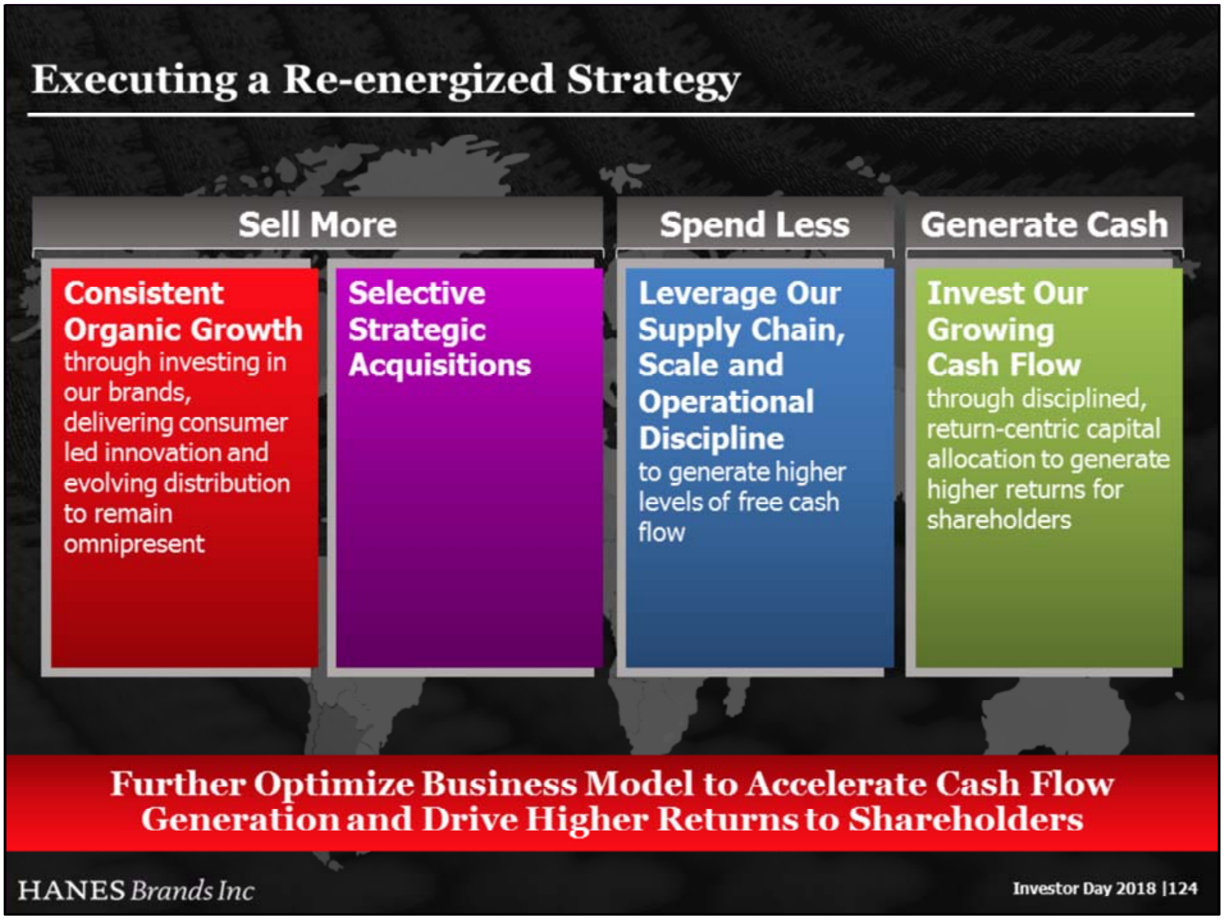


So, I would like to finish just as TC began -- with our key messages -- the Elevator Pitch, if you will, because I think it succinctly captures what we have been so diligently building over the past few years and which may have been easily overlooked during the recent challenges of channel disruption in the U.S. Over the last three years we have diversified our business model, making it more global and increasing our scale, we have extended our omnipresent relationship with our consumers online and through international branded retail; and we have strengthened our brand positions across all channels of trade.

As a result, we have created multiple paths to deliver growth over time that will be further complemented with periodic acquisitions. Yes, there will be ups and downs in elements of our business, such as we are currently experiencing in the U.S Intimates business. However, as we have demonstrated through our consistent delivery of organic growth for the last three quarters, a diversified business is capable of offsetting challenges and providing more consistent volume growth over time. And when you put this volume growth through our supply chain and lever our global scale, we see a path to stable growth, further margin expansion and increased levels of free cash flow.

Whether you choose Barry's conservative Base scenario assuming little growth, or the base scenario plus periodic acquisitions; our diversified model and its cost leverage, position us to expand operating profit, and deliver cumulative free cash flow of $4 billion or more over the next 5 years, which is equal to what we generated in total from 2006 to 2017, ----- our first 11 years.

In all cases, we remain firmly within our leverage range, giving us great flexibility to apply our balanced capital allocation model to fund high return investments in our business while simultaneously returning considerable value to our shareholders-- which we believe is a perfect recipe for consistent shareholder value creation on its own. And given our low valuation, our strong free cash flow per share suggests that the potential exists for additional value creation through multiple expansion.



The executive team and I have been building what we think of as a re-energized version of our Sell More, Spend Less, Generate Cash Model, which will better position us to generate strong shareholder returns in the years ahead.

It is our commitment to you that every day our focus will be on unleashing the full potential of this strategy and maximizing the return on your investments.

We are an even better Hanesbrands.

Thank you and I'll invite Barry to join me as we go to Q&A.

Please see the Investor Day 2018 Q&A Transcript document on our IR site for the full Q&A transcript.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HANES Brands Inc

Breakout Sessions

Appendix

Adjusted OP Profit, Margin, EPS

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net Sales	$ 4,294,197	$ 4,048,497	$ 3,746,201	$ 4,145,012	$ 4,434,291	$ 4,525,721	$ 4,627,802	$ 5,324,746	$ 5,731,549	$ 6,028,199	$ 6,471,410
Operating profit, under GAAP*	$ 360,072	$ 280,345	$ 284,177	$ 397,720	$ 458,192	$ 458,226	$ 529,895	$ 572,289	$ 604,812	$ 790,051	$ 744,350
Acquisition, integration and other action-related charges included in gross profit	36,912	42,558	12,776	-	-	-	16,221	73,126	62,839	39,379	34,970
Acquisition, integration and other action-related charges included in SG&A	(3,036)	(14)	3,916	-	-	-	64,569	125,807	203,201	99,140	108,082
Contingent consideration related to Champion Europe	-	-	-	-	-	-	-	-	-	-	27,852
Gain on curtailment of postretirement benefits	(32,144)	-	-	-	-	-	-	-	-	-	-
Restructuring	43,731	50,263	53,888	-	-	-	-	-	-	-	-
Operating profit, as adjusted****	$ 405,535	$ 373,152	$ 354,757	$ 397,720	$ 458,192	$ 458,226	$ 610,685	$ 771,222	$ 870,852	$ 928,570	$ 915,254
Operating Margin, under GAAP*	8.4%	6.9%	7.6%	9.6%	10.3%	10.1%	11.5%	10.7%	10.6%	13.1%	11.5%
Action and other related charges	1.0%	2.3%	1.9%	-	-	-	1.7%	3.7%	4.6%	2.3%	2.9%
Operating margin, as adjusted	9.4%	9.2%	9.5%	9.6%	10.3%	10.1%	13.2%	14.5%	15.2%	15.4%	14.5%
Net income from continuing operations, under GAAP	$ 111,737	$ 107,122	$ 42,813	$ 192,612	$ 242,569	$ 232,443	$ 330,494	$ 404,519	$ 428,855	$ 536,927	$ 63,998
Acquisition, integration and other action-related charges included in gross profit	36,912	42,558	12,776	-	-	-	16,221	73,126	62,839	39,379	34,970
Acquisition, integration and other action-related charges included in SG&A	(3,036)	(14)	3,916	-	-	-	64,569	125,807	203,201	99,140	109,930
Contingent consideration related to Champion Europe	-	-	-	-	-	-	-	-	-	-	27,852
Gain on curtailment of postretirement benefits	(32,144)	-	-	-	-	-	-	-	-	-	-
Restructuring	43,731	50,263	53,888	-	-	-	-	-	-	-	-
Debt refinance charge included in other expenses	5,235	(634)	49,301	-	-	33,906	-	-	-	47,291	3,152
Tax reform, related charged, tax effect on actions included in tax expense	(15,340)	(20,278)	(14,626)	-	-	(3,932)	(13,331)	(25,862)	(25,276)	(11,148)	452,778
Net income from continuing operations, as adjusted	$ 147,095	$ 179,017	$ 150,068	$ 192,612	$ 242,569	$ 262,417	$ 397,953	$ 577,590	$ 669,619	$ 711,589	$ 714,678
Adjustment to reflect 16% tax rate							2,383	$ (19,914)	$ (48,075)	$ (75,701)	$ (94,191)
Net income from continuing operations, as adjusted to reflect 16% tax rate							$ 400,336	$ 557,676	$ 621,544	$ 635,888	$ 620,487
Diluted earnings per share, under GAAP	$ 0.29	$ 0.28	$ 0.11	$ 0.49	$ 0.61	$ 0.58	$ 0.81	$ 0.99	$ 1.06	$ 1.40	$ 0.17
Action and other related charges	0.09	0.19	0.28	-	-	0.07	0.17	0.42	0.60	0.45	1.76
Diluted earnings per share, as adjusted***	$ 0.37	$ 0.47	$ 0.39	$ 0.49	$ 0.61	$ 0.65	$ 0.98	$ 1.42	$ 1.66	$ 1.85	$ 1.90
Adjustment to reflect 16% tax rate							0.01	(0.05)	(0.12)	(0.20)	(0.23)
Diluted earnings per share, as adjusted to reflect 16% tax rate							$ 0.98	$ 1.37	$ 1.54	$ 1.65	$ 1.68
Diluted weighted average shares outstanding**	386,964	380,656	382,672	391,096	397,004	401,076	407,292	408,044	403,659	384,566	369,426

*Historical GAAP operating profit has been restated to reflect the 2018 adoption of new FASB accounting rules related to the classification of pension cost
**Diluted weighted average share outstanding has been recast for stock split
***Adjusted EPS is defined as diluted EPS from continuing operations excluding actions and the tax effect on actions.
****Adjusted operating profit is defined as operating profit excluding actions.

Appendix

Free Cash Flow Reconciliation

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net cash from operating activities	$ 359,040	$ 177,397	$ 414,504	$ 133,054	$ 173,478	$ 553,607	$ 591,281	$ 508,090	$ 227,007	$ 605,607	$ 655,718
Capital Expenditures	(91,626)	(186,957)	(126,825)	(106,240)	(90,099)	(40,994)	(43,627)	(64,311)	(99,375)	(83,399)	(87,008)
Free Cash Flow	$ 267,414	$ (9,560)	$ 287,679	$ 26,814	$ 83,379	$ 512,613	$ 547,654	$ 443,779	$ 127,632	$ 522,208	$ 568,710

Free cash flow is defined as net cash from operating activities less capital expenditures.

2018 Guidance

	Quarter Ended June 30, 2018	Year Ended December 29, 2018
Operating profit outlook, as calculated under GAAP	$215,000 to $225,000	$870,000 to $905,000
Acquisition, integration and other action-related charges	$25,000	$80,000
Operating profit outlook, as adjusted	$240,000 to $250,000	$950,000 to $985,000
Diluted earnings per share from continuing operations, as calculated under GAAP	$0.38 to $0.40	$1.54 to $1.62
Acquisition, integration and other action-related charges	$0.06	$0.18
Diluted earnings per share from continuing operations, as adjusted	$0.44 to $0.46	$1.72 to $1.80
Cash flow from operations		$675 to $750
Capital Expenditures		90-100
Free cash flow		$585 to $650

Appendix

Net Debt to EBITDA

	2013	2014	2015	2016	2017	Last Twelve Months 1Q 2018
EBITDA:						
Net income from continuing operations	$ 330,494	$ 404,519	$ 428,855	$ 536,927	$ 63,991	$ 70,318
Interest expense, net	101,884	96,387	118,035	152,692	174,435	178,061
Income tax expense	65,307	60,449	45,018	34,272	473,279	483,739
Depreciation and amortization	90,890	98,202	103,903	103,175	122,487	125,647
Total EBITDA	588,575	659,557	695,811	827,066	834,192	857,765
Total action and other related charges (excluding tax effect on actions)	80,790	198,933	266,060	185,810	197,904	179,104
Stock compensation expense	24,178	30,587	29,618	31,780	23,582	24,800
Total EBITDA, as adjusted	$ 693,543	$ 889,077	$ 991,489	$ 1,044,656	$ 1,055,678	$ 1,061,669
Net debt:						
Debt (current and long term debt and Accounts Receivable Securitization Facility)	$ 1,630,945	$ 1,819,012	$ 2,485,531	$ 3,686,049	$ 3,951,643	$ 4,508,035
Notes payable	36,192	144,438	117,785	56,396	11,873	17,830
(Less) Cash and cash equivalents	(115,863)	(239,855)	(319,169)	(460,245)	(421,566)	(373,662)
Net debt	$ 1,551,274	$ 1,723,595	$ 2,284,147	$ 3,282,200	$ 3,541,950	$ 4,152,203
Net debt/EBITDA, as adjusted	2.2	1.9	2.3	3.1	3.4	3.9

EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA excluding actions and stock compensation expense.