UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 27, 2016

Hanesbrands Inc.
(Exact name of registrant as specified in its charter)

Maryland	**001-32891**	**20-3552316**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

1000 East Hanes Mill Road Winston-Salem, NC	**27105**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (336) 519-8080

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition

On October 27, 2016, Hanesbrands Inc. (the “Company”) issued a press release announcing its financial results for the third quarter ended October 1, 2016. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K. Exhibit 99.1 is being “furnished” and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”), nor shall Exhibit 99.1 be deemed incorporated by reference in any filing under the Securities Act of 1933 (the “Securities Act”) or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Exhibit 99.1 contains disclosures about adjusted EPS, adjusted net income, adjusted operating profit (and margin), adjusted SG&A, adjusted gross profit (and margin) and EBITDA, which are are not generally accepted accounting principle (“GAAP”) measures. Adjusted EPS is defined as diluted EPS excluding actions and the tax effect on actions. Adjusted net income is defined as net income excluding actions and the tax effect on actions. Adjusted operating profit is defined as operating profit excluding actions. Adjusted gross profit is defined as gross profit excluding actions. Adjusted SG&A is defined as selling, general and administrative expenses excluding actions. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. The Company has chosen to provide these non-GAAP measures to investors to enable additional analyses of past, present and future operating performance and as a supplemental means of evaluating company operations absent the effect of acquisition-related charges and other actions. Non-GAAP measures should not be considered a substitute for financial information presented in accordance with GAAP and may be different from non-GAAP or other pro forma measures used by other companies.

Item 7.01. Regulation FD Disclosure

The Company has made available on the investors section of its corporate website, *www.Hanes.com/investors*, certain supplemental materials regarding the Company's financial results and business operations (the “Supplemental Information”). The Supplemental Information is furnished herewith as Exhibit 99.2 and is incorporated by reference. All information in the Supplemental Information is presented as of the particular date or dates referenced therein, and the Company does not undertake any obligation to, and disclaims any duty to, update any of the information provided.

Exhibits 99.1 and 99.2 to this Current Report on Form 8-K include forward-looking financial information that is expected to be discussed on our previously announced conference call with investors and analysts to be held at 4:30 p.m., Eastern Daylight time on October 27, 2016. The call may be accessed at *www.Hanes.com/investors*. Replays of the call will be available at *www.Hanes.com/investors* and via telephone. The telephone playback will be available from approximately 7:30 p.m., Eastern Daylight time, on October 27, 2016, until midnight, Eastern Daylight time, on November 3, 2016. The replay will be available by calling toll-free (855) 859-2056, or by toll call at (404) 537-3406. The replay pass code is 2914705. Exhibits 99.1 and 99.2 are being “furnished” and shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, nor shall they be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit 99.1	Press release dated October 27, 2016
Exhibit 99.2	Supplemental Information

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

October 27, 2016	HANESBRANDS INC.	
	By:	/s/ Richard D. Moss
		Richard D. Moss
		Chief Financial Officer

Exhibits

99.1	Press release dated October 27, 2016
99.2	Supplemental Information

HanesBrands
1000 East Hanes Mill Road
Winston-Salem, NC 27105
(336) 519-8080

HANES Brands Inc
news release

FOR IMMEDIATE RELEASE

News Media, contact:	Matt Hall, (336) 519-3386
Analysts and Investors, contact:	T.C. Robillard, (336) 519-2115

HANESBRANDS REPORTS THIRD-QUARTER FINANCIAL RESULTS

- *Quarter Results Include Net Sales Growth of 11%, Record Cash Flow from Operations of $337 Million, and Double-Digit EPS Growth in Line with Hanes Guidance*
- *Sales Initiatives and Inventory-Reduction Efforts Delivering Intended Results*
- *Full-Year 2016 Guidance Continues to Expect Record Cash Flow, High-Single-Digit Net Sales Growth, and Double-Digit EPS Growth*

WINSTON-SALEM, N.C. (Oct. 27, 2016) - HanesBrands (NYSE: HBI), a leading global marketer of everyday basic apparel under world-class brands, today announced third-quarter growth for net sales, operating profit and diluted earnings per share consistent with company expectations. The company also delivered a record for cash flow in a quarter - $337 million.

With one quarter remaining in the fiscal year, Hanes updated its full-year 2016 guidance, which continues to call for record cash flow from operations, net sales growth in the high single digits, and double-digit growth for operating profit and EPS.

For the third quarter ended Oct. 1, 2016, net sales increased 11 percent to $1.76 billion, driven by core organic Innerwear growth and strong acquisition-related International growth. That growth was partially offset by declines in the Activewear and Direct to Consumer segments.

On a GAAP basis, operating profit of $228 million increased 10 percent and earnings per diluted share for continuing operations of $0.45 increased 13 percent. When excluding pretax charges related to acquisitions and integrations, adjusted operating profit of $271 million increased 8 percent, and adjusted EPS for continuing operations of $0.56 increased 12 percent.

(All adjusted consolidated measures and comparisons in this news release reflect continuing operations and exclude approximately $43 million of pretax charges taken in both the third quarter of 2016 and 2015 related to acquisitions and other actions. See Note on Adjusted Measures and Reconciliation to GAAP Measures below for additional details.)

“As forecasted, we delivered strong growth in the third quarter, and we are generating record cash flow,” said Hanes Chief Executive Officer Gerald W. Evans Jr. “Our sales initiatives have re-accelerated organic growth in several core categories, including 2 percent growth in the quarter for the Innerwear segment. Our acquisitions, both past and present, are performing extremely well. Our inventory level is declining, and cash flow from operations is already $300 million ahead of last year. Our business is unfolding as expected this year, and we remain confident in our ability to deliver on our full-year guidance.”

Key Callouts for Third-Quarter 2016 Financial Results

Growth in Net Sales, Operating Profit and Margin for Innerwear Segment. Innerwear sales increased 2 percent, driven by a successful focus-on-the-core initiative that saw high-single-digit growth combined for men's, women's and children's underwear. The initial shipments of the company's core products featuring FreshIQ odor control technology began late in the quarter. Segment operating profit increased 6 percent, and the operating profit margin increased 90 basis points to 22.0 percent.

Acquisitions Drive International Segment Growth. Acquisitions of Pacific Brands of Australia, Champion Europe and Champion Japan, as well as organic growth in Asia, drove 59 percent growth in International sales. Acquisitions contributed approximately $180 million in sales in the quarter. Operating profit growth of 79 percent was driven by widespread strength in Europe, Latin America and Asia, as well as acquisitions. The segment operating profit margin increased 140 basis points to 12.8 percent.

Challenges in Activewear and Direct to Consumer Segments. Activewear segment sales decreased 2 percent as a result of bankruptcies of certain sporting goods retailers. Champion at mass, Hanes Activewear, and college bookstore sports apparel all increased sales. Total segment operating profit decreased 22 percent, affected by lower volume and the mix of products sold.

The Direct to Consumer segment, which is undergoing a transition to a growth-oriented brand strategy, had an 11 percent decrease in sales and a 52 percent decrease in operating profit. Results were affected by the segment's exit from its legacy catalog business and noncore offerings to a more focused branded-product store and Internet strategy.

Record Cash Flow Driven by Inventory Management. Hanes generated $337 million in net cash from operations, a record for cash flow in a quarter following last quarter's record for a second quarter. The company's inventory decreased $124 million from the end of the second quarter, excluding inventory related to acquisitions of $51 million and $173 million in the second and third quarters, respectively.

2016 Financial Guidance

Hanes has narrowed its 2016 full-year guidance to reflect year-to-date performance and expectations for the fourth quarter.

The company expects 2016 net sales of $6.15 billion to $6.18 billion, GAAP operating profit of $807 million to $822 million, adjusted operating profit excluding actions of $940 million to $955 million, GAAP EPS for continuing operations of $1.45 to $1.49, adjusted EPS excluding actions for continuing operations of $1.89 to $1.92, and record net cash from operations of $750 million to $800 million.

The updated guidance compares with previous guidance for net sales of $6.15 billion to $6.25 billion, GAAP operating profit of $760 million to $795 million, adjusted operating profit of $940 million to $975 million, GAAP EPS for continuing operations of $1.44 to $1.54, adjusted EPS for continuing operations of $1.89 to $1.95, and net cash from operations of $750 million to $850 million.

The midpoint of the updated guidance represents growth over 2015 of 8 percent for net sales; 37 percent for GAAP operating profit; 10 percent for adjusted operating profit; 39 percent for GAAP EPS; 15 percent for adjusted EPS; and 241 percent for net cash from operations.

Based on year-to-date performance, the updated full-year guidance implies fourth-quarter 2016 guidance for net sales of $1.7 billion to $1.73 billion; GAAP operating profit of $235 million to $250 million; adjusted operating profit of $276 million to $291 million; GAAP EPS for continuing operations of $0.46 to $0.50, adjusted EPS for continuing operations of $0.57 to $0.60, and net cash from operations of $542 million to $592 million.

Net sales guidance includes expected sales from acquisitions of approximately $460 million for the full year, of which $250 million is expected in the fourth quarter.

The company's expectations for the pretax charges, capital expenditures, and income tax rate remain unchanged from previous guidance.

Full-year guidance for adjusted operating profit and adjusted EPS excludes an estimated $180 million of pretax charges for debt refinancing and acquisition, integration and other actions related to Hanes Europe Innerwear, Knights Apparel, Champion Japan, Champion Europe and Pacific Brands. Approximately $40 million of pretax charges are expected in the fourth quarter.

The company expects capital expenditures of approximately $90 million. Hanes expects interest expense and other expenses to be approximately $158 million combined, up from previous guidance of approximately $150 million. The expectation for the 2016 full-year tax rate percentage remains in the high single-digits.

Full-year guidance also reflects the tax-rate effect of the new FASB Accounting Standards Update related to accounting for stock compensation and excludes non-core Pacific Brands businesses that will be divested and reported on a discontinued-operations basis.

Hanes has updated its quarterly frequently-asked-questions document, which is available at www.Hanes.com/faq.

Change in Segment Reporting

As a result of a shift in management responsibilities, the company decided in the first quarter of 2016 to move its wholesale e-commerce business, which sells products directly to retailers, from the Direct to Consumer segment to the respective Innerwear and Activewear segments. In addition, revisions were made to the manner in which certain selling, general and administrative expenses are allocated. Prior-year segment sales and operating profit results have been revised to conform to the current year presentation.

Note on Adjusted Measures and Reconciliation to GAAP Measures

To supplement its financial guidance prepared in accordance with generally accepted accounting principles, Hanes provides quarterly results and guidance concerning certain non-GAAP financial measures, including adjusted operating profit and adjusted EPS. Adjusted EPS is defined as diluted EPS excluding actions. Adjusted operating profit is defined as operating profit excluding actions. See Table 5 for a reconciliation of these and other non-GAAP financial measures to the most directly comparable GAAP financial measures.

Hanes expects to incur approximately $180 million in pretax charges for 2016 related to debt refinancing and the acquisitions and integrations of Hanes Europe Innerwear, Knights Apparel, Champion Japan, Champion Europe and Pacific Brands.

In the first, second and third quarters of 2016, Hanes incurred approximately $25 million, $72 million, and $43 million, respectively, in pretax charges related to financing and actions related to acquisitions and integrations (Hanes Europe Innerwear, Knights Apparel, and the company's Champion Japan licensee in the first quarter; Hanes Europe Innerwear, Knights Apparel, Champion Japan, and Champion Europe and prefunding for Pacific Brands in the second quarter; and Hanes Europe Innerwear, Pacific Brands, Champion Europe and Knights Apparel in the third quarter). Approximately $40 million in pretax charges related to the acquisitions and integrations primarily of Hanes Europe Innerwear, Pacific Brands and Champion Europe, are expected in the fourth quarter.

In the first, second and third quarters of 2015, the company incurred approximately $43 million, $126 million, and $43 million respectively, in pretax charges related to acquisitions, primarily Hanes Europe Innerwear, and other actions. See Table 5 attached to this press release for more details on pretax charges for actions.

The company believes providing quarterly results and guidance for adjusted EPS and adjusted operating profit provides investors with an additional means of analyzing the company's performance absent the effect of acquisition-related expenses and other actions. However, non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as a substitute for financial results prepared in accordance with GAAP.

Webcast Conference Call

Hanes will host an internet webcast of its quarterly investor conference call at 4:30 p.m. EDT today. The broadcast, which will consist of prepared remarks followed by a question-and-answer session, may be accessed at www.Hanes.com/investors. The call is expected to conclude by 5:30 p.m.

An archived replay of the conference call webcast will be available at www.Hanes.com/investors. A telephone playback will be available from approximately 7:30 p.m. EDT today through midnight EDT Nov. 3, 2016. The replay will be available by calling toll-free (855) 859-2056, or by toll call at (404) 537-3406. The replay pass code is 2914705.

Cautionary Statement Concerning Forward-Looking Statements

This press release contains certain "forward-looking statements," as defined under U.S. federal securities laws, with respect to our long-term goals and trends associated with our business, as well as guidance as to future performance. In particular, among others, statements following the heading "2016 Financial Guidance," as well as statements about the benefits anticipated from the Hanes Europe Innerwear, Knights Apparel, Champion Japan licensee, and Champion Europe and Pacific Brands acquisitions, and assumptions regarding consumer behavior are forward-looking statements. These forward-looking statements are based on our current intent, beliefs, plans and expectations. Readers are cautioned not to place any undue reliance on any forward-looking statements. Forward-looking statements necessarily involve risks and uncertainties, many of which are outside of our control, that could cause actual results to differ materially from such statements and from our historical results and experience. These risks and uncertainties include such things as: our ability to achieve expected synergies and successfully complete the integration of Champion Europe, Pacific Brands and other acquisitions, the level of expenses and other charges related to the Champion Europe and Pacific Brands acquisitions and the funding thereof; any inadequacy, interruption, integration failure or security failure with respect to our information technology; the impact of significant fluctuations and volatility in various input costs, such as cotton and oil-related materials, utilities, freight and wages; our ability to manage our inventory effectively and accurately forecast demand for our products; the highly competitive and evolving nature of the industry in which we compete; the risk of improper conduct by any of our employees, agents or business partners that threatens our reputation and ability to do business; our complex multinational tax structure; significant fluctuations in foreign exchange rates; our ability to access sufficient capital at reasonable rates or commercially reasonable terms or to maintain sufficient liquidity in the amounts and at the times needed; risks associated with our indebtedness; other risks related to our international operations, including the impact to our business as a result of the United Kingdom's recent referendum to leave the European Union; and other risks identified from time to time in our most recent Securities and Exchange Commission reports, including our annual report on Form 10-K and quarterly reports on Form 10-Q. Since it is not possible to predict or identify all of the risks, uncertainties and other factors that may affect future results, the above list should not be considered a complete list. Any forward-looking statement speaks only as of the date on which such statement is made, and HanesBrands undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, other than as required by law.

HanesBrands

HanesBrands, based in Winston-Salem, N.C., is a socially responsible leading marketer of everyday basic innerwear and activewear apparel in the Americas, Europe, Australia and Asia/Pacific under some of the world's strongest apparel brands, including *Hanes*, *Champion*, *Playtex*, *DIM*, *Bali*, *Maidenform*, *Bonds*, *JMS/Just My Size*, *L'eggs*, *Wonderbra*, *Nur Die/Nur Der*, *Lovable*, *Berlei*, and *Gear for Sports*. The company sells T-shirts, bras, panties, shapewear, underwear, socks, hosiery, and activewear produced in the company's low-cost global supply chain. A member of the S&P 500 stock index, Hanes has approximately 70,000 employees in more than 40 countries and is ranked No. 448 on the Fortune 500 list of America's largest companies by sales. Hanes takes pride in its strong reputation for ethical business practices. The company is the only apparel producer to ever be honored by the Great Place to Work Institute for its workplace practices in Central America and the Caribbean, and is ranked No. 167 on the Forbes magazine list of America's Best Employers. For seven consecutive years, Hanes has won the U.S. Environmental Protection Agency Energy Star sustained excellence/partner of the year award - the only apparel company to earn sustained excellence honors. The company ranks No. 172 on Newsweek magazine's green list of 500 largest U.S. companies for environmental achievement. More information about the company and its corporate social responsibility initiatives, including environmental, social compliance and community improvement achievements, may be found at www.Hanes.com/corporate.

# # #

TABLE 1

HANESBRANDS INC.
Condensed Consolidated Statements of Income
(Amounts in thousands, except per-share amounts)
(Unaudited)

	Quarter Ended			Nine Months Ended		
	October 1, 2016	**October 3, 2015**	**% Change**	**October 1, 2016**	**October 3, 2015**	**% Change**
Net sales	$ 1,761,019	$ 1,591,038	10.7%	$ 4,452,890	$ 4,321,992	3.0%
Cost of sales	1,111,653	1,010,288		2,788,977	2,726,786	
Gross profit	649,366	580,750	11.8%	1,663,913	1,595,206	4.3%
As a % of net sales	**36.9%**	**36.5%**		**37.4%**	**36.9%**	
Selling, general and administrative expenses	421,014	372,422		1,091,946	1,158,014	
As a % of net sales	**23.9%**	**23.4%**		**24.5%**	**26.8%**	
Operating profit	228,352	208,328	9.6%	571,967	437,192	30.8%
As a % of net sales	**13.0%**	**13.1%**		**12.8%**	**10.1%**	
Other expenses	1,559	718		50,533	1,930	
Interest expense, net	43,433	31,356		111,539	87,263	
Income from continuing operations before income tax expense	183,360	176,254		409,895	347,999	
Income tax expense	10,570	14,100		28,693	38,307	
Income from continuing operations	172,790	162,154	6.6%	381,202	309,692	23.1%
Income from discontinued operations, net of tax	1,068	—		1,068	—	
Net income	$ 173,858	$ 162,154	7.2%	$ 382,270	$ 309,692	23.4%
Earnings per share - basic:						
Continuing operations	$ 0.46	$ 0.41		$ 1.00	$ 0.77	
Discontinued operations	—	—		—	—	
Net income	$ 0.46	$ 0.41	12.2%	$ 1.00	$ 0.77	29.9%
Earnings per share - diluted:						
Continuing operations	$ 0.45	$ 0.40		$ 0.99	$ 0.76	
Discontinued operations	—	—		—	—	
Net income	$ 0.45	$ 0.40	12.5%	$ 0.99	$ 0.76	30.3%
Weighted average shares outstanding:						
Basic	379,368	399,445		382,235	402,011	
Diluted	382,558	402,979		385,478	406,363	

TABLE 2

HANESBRANDS INC.
Supplemental Financial Information
(Dollars in thousands)
(Unaudited)

	Quarter Ended			Nine Months Ended		
	October 1, 2016	October 3, 2015	% Change	October 1, 2016	October 3, 2015	% Change
Segment net sales[1]:						
Innerwear	$ 688,343	$ 674,854	2.0 %	$ 1,998,293	$ 2,014,858	(0.8)%
Activewear	510,588	521,461	(2.1)%	1,187,507	1,203,558	(1.3)%
Direct to Consumer	83,966	94,323	(11.0)%	240,219	255,294	(5.9)%
International	478,122	300,400	59.2 %	1,026,871	848,282	21.1 %
Total net sales	$ 1,761,019	$ 1,591,038	10.7 %	$ 4,452,890	$ 4,321,992	3.0 %
Segment operating profit[1]:						
Innerwear	$ 151,147	$ 142,196	6.3 %	$ 450,566	$ 460,295	(2.1)%
Activewear	74,575	95,980	(22.3)%	162,960	187,183	(12.9)%
Direct to Consumer	4,341	9,052	(52.0)%	9,618	13,378	(28.1)%
International	61,312	34,200	79.3 %	109,184	76,079	43.5 %
General corporate expenses/other	(20,436)	(30,313)	(32.6)%	(68,710)	(87,762)	(21.7)%
Acquisition, integration and other action related charges	(42,587)	(42,787)	(0.5)%	(91,651)	(211,981)	(56.8)%
Total operating profit	$ 228,352	$ 208,328	9.6 %	$ 571,967	$ 437,192	30.8 %
EBITDA[2]:						
Net income from continuing operations	$ 172,790	$ 162,154	6.6 %	$ 381,202	$ 309,692	23.1 %
Interest expense, net	43,433	31,356	38.5 %	111,539	87,263	27.8 %
Income tax expense	10,570	14,100	(25.0)%	28,693	38,307	(25.1)%
Depreciation and amortization	26,888	24,943	7.8 %	73,715	75,750	(2.7)%
Total EBITDA	$ 253,681	$ 232,553	9.1 %	$ 595,149	$ 511,012	16.5 %

[1] As a result of a shift in management responsibilities, the Company decided in the first quarter of 2016 to move its wholesale e-commerce business, that sells products directly to retailers, from the Direct to Consumer segment to the Innerwear and Activewear segments. In addition, revisions were made to the manner in which certain selling, general and administrative expenses are allocated. Prior-year segment sales and operating profit results have been revised to conform to the current year presentation.

[2] Earnings from continuing operations before interest, taxes, depreciation and amortization (EBITDA) is a non-GAAP financial measure.

TABLE 3

HANESBRANDS INC.
Condensed Consolidated Balance Sheets
(Dollars in thousands)
(Unaudited)

	October 1, 2016	January 2, 2016
Assets		
Cash and cash equivalents	$ 450,213	$ 319,169
Trade accounts receivable, net	961,659	680,417
Inventories	2,004,997	1,814,602
Other current assets	120,792	103,679
Current assets of discontinued operations	24,466	—
Total current assets	3,562,127	2,917,867
Property, net	718,999	650,462
Trademarks and other identifiable intangibles, net	1,347,536	700,515
Goodwill	1,142,523	834,315
Deferred tax assets	471,010	445,179
Other noncurrent assets	62,139	49,252
Total assets	$ 7,304,334	$ 5,597,590
Liabilities		
Accounts payable and accrued liabilities	$ 1,420,393	$ 1,133,305
Notes payable	60,646	117,785
Accounts Receivable Securitization Facility	244,074	195,163
Current portion of long-term debt	139,362	57,656
Current liabilities of discontinued operations	8,405	—
Total current liabilities	1,872,880	1,503,909
Long-term debt	3,684,408	2,232,712
Pension and postretirement benefits	317,351	362,266
Other noncurrent liabilities	243,170	222,812
Total liabilities	6,117,809	4,321,699
Equity	1,186,525	1,275,891
Total liabilities and equity	$ 7,304,334	$ 5,597,590

TABLE 4

HANESBRANDS INC.
Condensed Consolidated Statements of Cash Flows
(Dollars in thousands)
(Unaudited)

	Nine Months Ended	
	October 1, 2016	**October 3, 2015**
Operating Activities:		
Net income	$ 382,270	$ 309,692
Depreciation and amortization	73,715	75,750
Other noncash items	51,046	10,737
Changes in assets and liabilities, net	(298,740)	(483,333)
Net cash from operating activities	208,291	(87,154)
Investing Activities:		
Purchases/sales of property and equipment, net, and other	3,262	(58,521)
Acquisition of businesses, net of cash acquired	(963,127)	(192,829)
Net cash from investing activities	(959,865)	(251,350)
Financing Activities:		
Cash dividends paid	(125,798)	(121,713)
Share repurchases	(379,901)	(306,094)
Net borrowings on notes payable, debt and other	1,385,624	814,211
Net cash from financing activities	879,925	386,404
Effect of changes in foreign currency exchange rates on cash	2,693	(3,160)
Change in cash and cash equivalents	131,044	44,740
Cash and cash equivalents at beginning of year	319,169	239,855
Cash and cash equivalents at end of period	$ 450,213	$ 284,595

TABLE 5

HANESBRANDS INC.
Supplemental Financial Information
Reconciliation of Select GAAP Measures to Non-GAAP Measures
(Amounts in thousands, except per-share amounts)
(Unaudited)

	Quarter Ended		Nine Months Ended	
	October 1, 2016	October 3, 2015	October 1, 2016	October 3, 2015
Gross profit, as reported under GAAP	$ 649,366	$ 580,750	$ 1,663,913	$ 1,595,206
Acquisition, integration and other action related charges	13,563	7,720	27,732	47,939
Gross profit, as adjusted	$ 662,929	$ 588,470	$ 1,691,645	$ 1,643,145
As a % of net sales	**37.6%**	**37.0%**	**38.0%**	**38.0%**
Selling, general and administrative expenses, as reported under GAAP	$ 421,014	$ 372,422	$ 1,091,946	$ 1,158,014
Acquisition, integration and other action related charges	(29,024)	(35,067)	(63,919)	(164,042)
Selling, general and administrative expenses, as adjusted	$ 391,990	$ 337,355	$ 1,028,027	$ 993,972
As a % of net sales	**22.3%**	**21.2%**	**23.1%**	**23.0%**
Operating profit, as reported under GAAP	$ 228,352	$ 208,328	$ 571,967	$ 437,192
Acquisition, integration and other action related charges included in gross profit	13,563	7,720	27,732	47,939
Acquisition, integration and other action related charges included in SG&A	29,024	35,067	63,919	164,042
Operating profit, as adjusted	$ 270,939	$ 251,115	$ 663,618	$ 649,173
As a % of net sales	**15.4%**	**15.8%**	**14.9%**	**15.0%**
Net income from continuing operations, as reported under GAAP	$ 172,790	$ 162,154	$ 381,202	$ 309,692
Acquisition, integration and other action related charges included in gross profit	13,563	7,720	27,732	47,939
Acquisition, integration and other action related charges included in SG&A	29,024	35,067	63,919	164,042
Debt refinance charges included in other expenses	—	—	47,291	—
Tax effect on actions	(2,017)	(3,423)	(9,726)	(26,715)
Net income from continuing operations, as adjusted	$ 213,360	$ 201,518	$ 510,418	$ 494,958
Diluted earnings per share from continuing operations, as reported under GAAP	$ 0.45	$ 0.40	$ 0.99	$ 0.76
Acquisition, integration and other action related charges and debt refinance charges	0.11	0.10	0.34	0.46
Diluted earnings per share from continuing operations, as adjusted	$ 0.56	$ 0.50	$ 1.32	$ 1.22

Hanesbrands FAQs

Updated October 27, 2016– New or updated information is in red

Current Period – related FAQs

Q: At the beginning of the year you highlighted various sales initiatives that were designed to drive improved revenue growth beginning in the second half of 2016, have these initiatives been effective?

A: *Yes. At the beginning of the year we outlined several initiatives designed to drive improved revenue growth beginning in the second half of 2016. The first initiative was our 'focus on the core' initiative, which is designed to drive improved volume growth in our core products. In the quarter, our Basics revenue increased 9%, with a 20% increase in our Men's Underwear business as we timed promotional events with consumer traffic and began shipping our new odor-control innovation, FreshIQ. The second initiative was to drive online growth. In the third quarter, U.S. online revenue across all channels increased 17%, which was an acceleration from second quarter's growth, and continues to outpace overall online apparel growth. And the third initiative was to deliver product enhancements in Champion. In the third quarter, Champion at mass delivered over 10% revenue growth, which is an acceleration from the mid-single digit growth in the second quarter, as our refreshed product offering continues to resonate with consumers. We expect the momentum from these initiatives to continue through Q4 and beyond, which is a key driver of our confidence in delivering on our Q4 and full-year guidance.*

Q: Given the challenging retail environment, why are you able to remain within your original full-year guidance range?

A: *Our ability to provide updated guidance that remains within our initial guidance range is based on four factors. One, the challenges in the overall retail environment were already reflected in our guidance when it was initially set back in February. Two, overall our year-to-date results are in-line with our plan. Three, our various sales initiatives, including 'focus-on-the-core', as well as our inventory reduction initiatives are delivering their intended results. And four, as we look to the fourth quarter, we believe we are very well positioned to achieve our guidance as our key initiatives are unfolding as expected. With one quarter remaining in our fiscal year, we updated our full-year outlook and narrowed our previous guidance ranges for sales, adjusted operating profit (excluding acquisition and integration charges), adjusted earnings per share and cash flow from operations. Our guidance continues to call for record cash flow from operations, high-single digit revenue growth, double-digit operating profit growth and mid-teens earnings per share growth.*

Q: What gives you confidence in your ability to achieve your guidance for the fourth quarter?

A: *While there are many initiatives driving our confidence in delivering on our guidance, here are five examples. First, our inventory reduction actions are complete and delivering their intended results. Adjusting for recent acquisitions, our inventory declined $124 million from second quarter's level. Second, we generated $337 million in cash flow from operations in the quarter, a record for any quarter in our history. Year-to-date, our cash flow from operations is roughly $300 million higher than last year. We expect our inventory, excluding recent acquisitions, to continue to decline through the remainder of the year and we are firmly on-track to achieve our cash flow guidance. Third, the initiative that we laid out at the beginning of the year to drive volume growth in our core Innerwear business is working. For the quarter, our Basic's revenue increased 9% over last year, including a 20% increase in Men's Underwear. We expect the momentum in Basics to continue in the fourth quarter as our holiday promotions, which we did not have last year, are in place and we begin advertising behind our new odor-control innovation, FreshIQ. Fourth, we saw sequential improvement in our Activewear segment in the quarter driven by accelerated growth in Champion at mass and growth in our Hanes Activewear business. We expect this momentum to continue into the fourth quarter. And fifth, the synergies from Hanes Europe, Knights Apparel and Maidenform are tracking to plan, which puts us on-track to deliver $40 million in synergies for the full-year.*

Q: You mentioned that your inventory at the end of the quarter declined significantly from prior quarter but your balance sheet only indicates a very small decrease, can you explain the difference?

A: *Per GAAP accounting rules, our balance sheet is reflective of the last day of our quarter. The reported inventory on our quarterly balance sheet includes inventory from recently closed acquisitions in the amount of $51 million in the second quarter and $173 million in the third quarter. Our base inventory, which excludes these amounts, declined $124 million sequentially in the third quarter.*

Q: How much did acquisitions contribute to the quarter's revenue and adjusted operating profit results?

A: *For the third quarter, acquisitions contributed approximately $180 million in revenue and slightly less than $17 million in adjusted operating profit, which excludes synergies as well as pretax acquisition and integration-related charges.*

Q: What macroeconomic expectations are factored into your 2016 guidance?

A: *From a macro perspective, we assume the overall consumer environment remains challenging, as has been the case over the past several years.*

Q: What acquisition expectations are factored into your 2016 guidance?

A: *With respect to contributions from acquisitions, our 2016 guidance assumes approximately $460 million in revenue and approximately $40 million in adjusted operating profit, which excludes approximately $180 million in financing, acquisition and integration-related charges.*

With respect to our acquisitions of DBApparel, Knights Apparel and Champion Japan, our 2016 guidance assumptions are unchanged. Our guidance assumes approximately $50 million in revenue, approximately $40 million in synergy contributions and approximately $80 million in pretax acquisition and integration-related charges. The revenue assumptions include roughly $20 million from the Knights Apparel wrap in the first quarter (recall we closed our acquisition of Knights Apparel on April 6, 2015) and approximately $30 million from the re-acquisition of the remainder of the Champion rights in Japan. The roughly $40 million in expected synergy contributions are from Hanes Europe Innerwear (formerly DBApparel), Knights Apparel as well as the remaining synergies from Maidenform.

With respect to the partial year contributions from acquisitions completed in 2016, our 2016 guidance includes approximately $410 million in revenue and approximately $40 million in adjusted operating profit, which excludes approximately $53 million in pretax acquisition and integration-related charges. This compares to our prior estimates of approximately $350 million in revenue, approximately $20 to $25 million in adjusted operating profit and approximately $53 million in pretax acquisition and integration-related charges.

Q: Can you provide any insights into the pretax acquisition and integration-related charges in your 2016 guidance?

A: *Our estimate for pretax acquisition and integration-related charges is approximately $180 million. This consists of approximately $80 million related to Hanes Europe (formerly DBApparel), Knights Apparel and Champion Japan; approximately $53 million related to acquisitions completed in 2016, of which the vast majority are deal costs and the purchase accounting adjustments required under GAAP; and approximately $47 million related to refinancing actions. We estimate that roughly 60% of the approximately $180 million in acquisition and integration-related charges in 2016 should be cash-based and roughly 40% should be non-cash charges.*

Q: Can you provide an annualized outlook for Pacific Brands and Champion Europe?

A: *At the time of acquisition, on an annual basis, excluding any potential synergies and pretax charges, we expected Champion Europe and Pacific Brands to contribute approximately $800 million in sales and approximately $70 million in adjusted operating profit.*

Q: What is your estimate for total pretax acquisition and integration-related charges for Champion Europe and Pacific Brands?

A: *We expect the total acquisition and integration charges for the Champion Europe and Pacific Brands acquisitions, combined, to be less than $100 million, of which approximately $53 million are expected to be recognized this year. This is significantly lower than prior acquisitions due to three factors: (1) we have become more efficient at integrating acquired businesses; (2) the benefits from our prior foundational IT investments; and, (3) these two integrations are less complex.*

Q: How big is the online channel for Hanesbrands and are you focused on driving growth in this channel?

A: *Our U.S. online sales represent roughly 8% of our total domestic sales across the online sites of traditional retailers, online pure-plays as well as our own websites, and are growing faster than the overall online apparel category. We have focused and dedicated numerous people and resources to drive our online business both domestically and internationally, and we have seen great success. For example, one of the largest online pure-plays is now our 7th largest domestic customer, representing over 1% of total sales.*

Q: Do you believe a high-single digit to low double-digit tax rate is sustainable?

A: *Yes. Assuming no changes to various global tax laws, we believe a high-single digit to low double-digit tax rate is sustainable for many years to come. Our tax rate is the by-product of our global business model. We do not use artificial tax management, such as inversions or earnings stripping. Our accounting and tax strategies are sound. In fact, we were recently audited by the IRS (see our third quarter 2015 Form 10Q) and the audit was closed with no adjustments.*

Q: Have your thoughts on capital allocation changed?

A: *There is no change to our strategy. Our capital allocation strategy is to effectively deploy our significant, consistent cash flow to generate the best long-term returns for our shareholders. Over time, our goal is for our net debt-to-EBITDA to be in a range of 2 to 3 times. Our strategy is to use our cash flow to fund capital investments and our dividend, use debt for acquisitions and use excess free cash flow, which is defined as cash from operations less capital expenditures and dividends, to repurchase stock.*

Q: Will your capital expenditures increase significantly as a result of your acquisition strategy?

A: *With acquisitions, as the size of our business, profit and cash flows increases, so should the absolute level of our capital spending. Although our spending on capital expenditures has and is expected to continue to fluctuate year to year, we expect our capital expenditures to average around 1.75% of sales going forward, which is in-line with our historical average, and over time should roughly equal depreciation. Spending at this level should allow our global supply chain to remain competitive while also handling the increased capacity needs for growth and our acquisition strategy.*

Q: How does a change in currency exchange rates impact your financial results?

A: Changes in exchange rates between the U.S. Dollar and other currencies can impact our financial results in two ways; a translation impact and a transaction impact. The translation impact refers to the impact that changes in exchange rates can have on our published financial results. Similar to many multi-national corporations that publish financial results in U.S. Dollars, our revenue and profit earned in local foreign currencies is translated back into U.S. Dollars using an average exchange rate over the representative period. A period of strengthening in the U.S. Dollar results in a negative impact to our published financial results (because it would take more units of a local currency to convert into a dollar). The opposite is true during a period of weakening in the U.S. Dollar. Our biggest foreign currency exposure is the euro. The transaction impact on financial results is common for apparel companies that source goods because these goods are purchased in U.S. Dollars. The transaction impact from a strengthening dollar would be negative to our financial results (because the U.S. Dollar-based costs would convert into a higher amount of local currency units, which means a higher local-currency cost of goods, and in turn, a lower local-currency gross profit). The transaction impact from exchange rates is typically recovered over time with price increases. However, during periods of rapid change in exchange rates; pricing is unable to change quickly enough. In these situations, it could make sense to hedge the exchange rate exposure in sourcing costs.

Pacific Brands-related FAQs

Q: What is driving the value creation for the Pacific Brands acquisition?

A: Pacific Brands squarely hits on all four of our acquisition criteria. It's in our core categories. It provides complementary revenue growth opportunities. It is justifiable based solely on cost synergies and it's quickly accretive. The majority of the expected value creation is from supply chain synergies. Pacific Brands sources the vast majority of the products in its Underwear segment and we see a significant synergy opportunity by plugging their Underwear business into the Asian cluster of our company-owned supply chain, especially in Vietnam. But this opportunity goes beyond the typical 15-20% cost reduction we expect to achieve by in-sourcing only their high volume styles. Their products are very similar to our Hanes Europe products, which means as we harmonize these products we'll increase the total number of high volume styles that can be brought in-house. In other words, this acquisition not only drives manufacturing synergies on its own, it also creates incremental synergy benefits for prior acquisitions, which underscores the power of our company-owned supply chain. The other factor driving the expected value creation is revenue growth. Pacific Brands' Underwear group has been executing a strategy to drive profitable revenue growth by investing behind its brands, growing its retail presence and expanding online. This strategy is working as its Underwear segment sales over the past three years have grown at a compound annual growth rate of roughly 7%. As management continues to drive its strategy and we layer on our innovation process, we see a long runway for mid-to-high single digit revenue growth.

Q: How should investors think about Pacific Brands' business on a go-forward basis and what is the expected financial contribution of this acquisition within three years?

A: At the time of the acquisition, Pacific Brands base business, which we define as their Underwear and Sheridan segments, generated approximately AUD800 million (US$600 million) in annual sales with a high-single digit operating margin. As we complement their growth strategy, strong brands and Australian design with our Innovate-to-Elevate strategy and low-cost global supply chain, we believe we can grow their base revenue at mid-to-high single digit rates while increasing operating margins to the mid-teens. Over the next three years, once synergies are fully realized, we believe Pacific Brands can annually contribute over AUD930 million in revenue and approximately AUD140 million in operating profit, excluding acquisition and integration-related charges[(1)]. Assuming an exchange rate of AUD1:US$0.76, this would equate to over US$700 million in revenue and over US$100 million in operating profit, excluding acquisition and integration-related charges[(1]. We expect this acquisition to deliver an after-tax IRR in the mid-teens.

Q: Can you provide any insight into Pacific Brands?

A: *Pacific Brands is the leading underwear and intimate apparel company in Australia. Their products are distributed through the wholesale channel (roughly 60% of sales), in-store retail (roughly one-third of sales) and online retail (roughly 7% of sales). They have a strong management team that like us, nurtures its brands and uses a disciplined, consumer packaged goods approach to managing their business. Historically, Pacific Brands was much more diversified company. Several years ago management embarked on a significant restructuring to streamline the company down to its core Underwear and Sheridan business units. Its Tontine pillow and Dunlop flooring businesses, which account for roughly 12% of sales, fall well outside of Hanesbrands core categories and therefore, our intention is to divest these within a year. These two business operations are excluded from our long-term projections and are reported as discontinued operations after the acquisition closes.*

Q: Can you provide any insight into Pacific Brands Underwear segment?

A: *The Underwear segment, which accounts for the majority of Pacific Brands' revenue and operating profit, is very similar to us. They have big, strong, iconic brands, including Bonds, which has more than a century of history. With 90% brand awareness and the #1 share of the underwear and socks markets, the Bonds brand is akin to the Hanes of Australia. As a company, Pacific Brands holds the #1 share position in men's, women's and kid's underwear, as well as in bras, sports bras, socks and hosiery. They also hold the #2 market position in babywear (i.e. infant apparel) and casual clothing. Their products are distributed across all channels with a growing presence in online and company-owned retail.*

Q: What are your plans for the Sheridan business segment?

A: *The Sheridan brand has nearly 50 years of history and its products include premium linens, towels, loungewear and recently launched babywear. Sheridan holds the #1 market position in its main categories, its infrastructure is highly integrated with the Underwear group and its products are primarily distributed through high-end department store concessions and branded stores. With Sheridan's strong brand position and its entrance into loungewear and babywear, we believe this segment has attractive growth and profitability characteristics.*

Q: Does this acquisition preclude you from another acquisition in 2016?

A: *While we intend to turn our focus to developing the integration and growth plans for both the Champion Europe and the Pacific Brands acquisitions, there remain a variety of potential opportunities. We cannot predict the timing of any single acquisition, which is why we are always talking to people. As we have said many times before, we will not take on more integration and business risk than we believe the organization can handle and when we have the next signed deal, we'll let you know.*

Champion Europe-related FAQs

Q: What is the rationale and expected return for this acquisition?

A: *The rationale for all of our acquisitions is to generate long-term shareholder returns by applying our proven 'Sell More' and 'Spend Less' strategies to newly acquired businesses to create substantial multi-year synergies. Champion Europe squarely hits on all four of our acquisition criteria. It's in our core categories. It provides complementary revenue growth opportunities. It is justifiable based solely on cost synergies and it's quickly accretive. This acquisition is expected to deliver an after-tax IRR in the low-to-mid teens.*

Q: What are some of the global growth initiatives for Champion?

A: *By unifying the Champion brand globally, we have significant opportunities to grow revenue by expanding our distribution across product lines, across channels and across geographies. In the U.S., we've developed a very broad product line under Champion that spans from mass price points all the way up to the higher-priced sporting goods and department store channels. We can now take this broad product line and sell it into Europe, Japan, Australia, and other international markets. As we build scale by expanding Champion's distribution worldwide, we expect to be able to leverage global product design as well as our low-cost supply chain to further reduce costs and ultimately improve our operating margins. With this acquisition, we now sell Champion products on five continents and have approximately $1.2 billion in Champion revenue worldwide. We believe our Champion revenue can increase at high single-digit to low double-digit rates and could approach $2 billion within five to six years.*

Q: Can you provide any insight into Champion Europe's current financial performance?

A: *At the time of acquisition, Champion Europe expected full-year 2016 net sales of more than €190 million, EBITDA, excluding charges, of approximately €20 million, and operating profit, excluding charges, of approximately €15.*

Q: What is the expected financial contribution of the Champion Europe acquisition within three years?

A: *Over the next three years, excluding the broader global Champion growth opportunities, we believe Champion Europe's stand-alone operations can increase revenue from more than €190 million to well over €250 million. Through a combination of supply chain synergies and revenue growth, we believe Champion Europe's stand-alone operations, over the next three years, can increase operating profit, excluding acquisition and integration-related charges[1], from roughly €15 million to well over €25 million.*

Q: Can you provide any insight into Champion Europe's business operations?

A: *Champion Europe owns the trademark rights for the Champion brand in Europe, the Middle East and Africa. The Company, which is based in Italy, designs, sources and sells Champion athletic apparel and accessories wholesale to retailers and directly to consumers via roughly 130 company-owned stores. The vast majority of Champion Europe's revenue is in Italy and Greece. With respect to its merchandise mix, based on FY15 revenue, roughly 40% was men's apparel, roughly 30% was women's apparel, roughly 20% was youth and toddler apparel and the remainder was accessories.*

Q: Will Champion Europe be integrated into Hanes Europe Innerwear?

A: *No. We run Innerwear and Activewear separately in the U.S. and we will do the same in Europe. There are no real synergies to be gained by integrating these two businesses. Champion Europe will be integrated into our global supply chain but it will be run as part of the global Champion Activewear business.*

[1] We currently estimate the total, combined acquisition and integration costs for Champion Europe and Pacific Brands to be less than $100 million.

###

Charges for Actions and Reconciliation to GAAP Measures

To supplement its financial guidance prepared in accordance with generally accepted accounting principles, Hanes provides quarterly results and guidance concerning certain non-GAAP financial measures, including adjusted EPS, adjusted net income, adjusted operating profit (and margin), adjusted SG&A, adjusted gross profit (and margin) and EBITDA. Adjusted EPS is defined as diluted EPS excluding actions and the tax effect on actions. Adjusted net income is defined as net income excluding actions and the tax effect on actions. Adjusted operating profit is defined as operating profit excluding actions. Adjusted gross profit is defined as gross profit excluding actions. Adjusted SG&A is defined as selling, general and administrative expenses excluding actions. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Hanes has chosen to provide these non-GAAP measures to investors to enable additional analyses of past, present and future operating performance and as a supplemental means of evaluating company operations absent the effect of acquisition-related expenses and other actions. However, non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as a substitute for financial results prepared in accordance with

GAAP. See Table 2 and Table 5 attached to our press release dated October 27, 2016 to reconcile these non-GAAP performance measures to the most directly comparable GAAP measure.

Full-year GAAP operating profit guidance of $807 million to $822 million and GAAP EPS guidance of $1.45 to $1.49 reflects Hanes' expectations for net sales, operating profit, interest expense, and tax rate from continuing operations as detailed in this FAQ document. Full-year Non-GAAP adjusted operating profit guidance of $940 million to $955 million and adjusted EPS guidance of $1.89 to $1.92 reflects the GAAP guidance adjusted by adding back the approximately $180 million of expected pretax charges for debt refinancing and acquisition and integration expenses to adjusted operating profit and adjusted EPS. GAAP EPS from continuing operations is expected to be in the range of $0.46 to $0.50 for the fourth quarter. Excluding approximately $40 million of expected pretax charges for acquisition and integration expenses during the fourth quarter, adjusted EPS is expected to be in the range of $0.57 to $0.60 in the fourth quarter.