

Gildan Activewear Inc.

Recast Annual Consolidated Statements of Earnings and Comprehensive Income

(In thousands or thousands of US dollars, except per share data)

	Fiscal					
	2008	2007	2006	2005	2004	2003
Net Sales	\$ 1,249,711	\$ 964,429	\$ 773,190	\$ 653,851	\$ 533,368	\$ 431,195
Cost of sales (note 2)	911,242	705,546	563,219	481,430	405,274	320,716
Gross profit	338,469	258,883	209,971	172,421	128,094	110,479
	27.1%	26.8%	27.2%	26.4%	24.0%	25.6%
Selling, general and administrative expenses (note 3)	142,760	99,926	75,418	66,143	53,227	45,087
	11.4%	10.4%	9.8%	10.1%	10.0%	10.5%
Restructuring and other charges	5,489	28,012	20,386	11,776	4,614	-
Operating income	190,220	130,945	114,167	94,502	70,253	65,392
Financial expense, net (note 4)	9,240	5,420	2,833	7,366	7,271	6,311
Non-controlling interest in consolidated joint venture	230	1,278	260	34	-	-
Earnings before income taxes	180,750	124,247	111,074	87,102	62,982	59,081
Income tax expense (recovery)	34,400	(4,815)	4,782	1,352	3,078	5,788
Net earnings and comprehensive income (note 5)	\$ 146,350	\$ 129,062	\$ 106,292	\$ 85,750	\$ 59,904	\$ 53,293
Basic EPS	\$ 1.21	\$ 1.07	\$ 0.89	\$ 0.72	\$ 0.51	\$ 0.46
Diluted EPS	\$ 1.20	\$ 1.06	\$ 0.88	\$ 0.71	\$ 0.50	\$ 0.45
Diluted EPS - Adjusted	\$ 1.24	\$ 1.29	\$ 1.04	\$ 0.78	\$ 0.56	\$ 0.45
Weighted average number of shares outstanding						
Basic	120,479	120,340	120,103	119,382	118,363	116,967
Diluted	121,622	121,538	121,252	120,270	119,342	118,903

See accompanying notes to the Recast Annual Consolidated Statements of Earnings and Comprehensive Income

Gildan Activewear Inc.

Notes to the Recast Annual Consolidated Statements of Earnings and Comprehensive Income

(In thousands of US dollars)

	2008	2007	2006	2005	2004	2003
	Fiscal					
1) Depreciation and Amortization:						
Depreciation and amortization - As reported	\$ 58,932	\$ 38,777	\$ 32,383	\$ 25,615	\$ 22,275	\$ 16,088
Adoption of CICA Section 3064:						
Reversal of amortization of deferred start up costs	(1,797)	(1,509)	(770)	(502)	(377)	(297)
Depreciation and amortization - Post adoption of CICA Section 3064	57,135	37,268	31,613	25,113	21,898	15,791
Reclassification of depreciation and amortization related to manufacturing activities	(44,056)	(30,353)	(25,961)	(20,430)	(18,028)	(12,165)
Reclassification of depreciation and amortization related to non-manufacturing activities	(13,079)	(6,915)	(5,652)	(4,683)	(3,870)	(3,626)
Depreciation and amortization - Recast	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2) Cost of Sales:						
Cost of sales - As reported	\$ 847,392	\$ 655,280	\$ 521,095	\$ 450,570	\$ 378,696	\$ 301,341
Reclassification of depreciation and amortization related to manufacturing activities	44,056	30,353	25,961	20,430	18,028	12,165
Reclassification of outbound freight	20,620	16,703	13,250	10,661	7,762	5,835
Reclassification of foreign exchange gain (loss) and other	(865)	743	1,606	(1,026)	64	1,215
Adoption of CICA Section 3064:						
Expense of additions to deferred start up costs during the year	39	2,467	1,307	795	724	160
Cost of sales - Recast	\$ 911,242	\$ 705,546	\$ 563,219	\$ 481,430	\$ 405,274	\$ 320,716
3) Selling, General and Administrative Expenses:						
Selling, general and administrative expenses - As reported	\$ 151,453	\$ 110,979	\$ 84,388	\$ 73,846	\$ 58,284	\$ 48,403
Reclassification of depreciation and amortization related to non-manufacturing activities	13,079	6,915	5,652	4,683	3,870	3,626
Reclassification of outbound freight	(20,620)	(16,703)	(13,250)	(10,661)	(7,762)	(5,835)
Reclassification of financial expense	(1,152)	(1,265)	(1,372)	(1,725)	(1,165)	(1,107)
Selling, general and administrative expenses - Recast	\$ 142,760	\$ 99,926	\$ 75,418	\$ 66,143	\$ 53,227	\$ 45,087
4) Financial Expense, net:						
Financial expense, net - As reported	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reclassification of interest, net	7,223	4,898	3,067	4,615	6,170	6,419
Reclassification of financial expense	1,152	1,265	1,372	1,725	1,165	1,107
Reclassification of foreign exchange loss (gain) and other	865	(743)	(1,606)	1,026	(64)	(1,215)
Financial expense, net - Recast	\$ 9,240	\$ 5,420	\$ 2,833	\$ 7,366	\$ 7,271	\$ 6,311
5) Net Earnings and Comprehensive Income:						
Net earnings and comprehensive income - As reported	\$ 144,592	\$ 130,020	\$ 106,829	\$ 86,043	\$ 60,251	\$ 53,156
Adoption of CICA Section 3064	1,758	(958)	(537)	(293)	(347)	137
Net earnings and comprehensive income - Recast	\$ 146,350	\$ 129,062	\$ 106,292	\$ 85,750	\$ 59,904	\$ 53,293
6) Adjusted net earnings:						
Net earnings and comprehensive income - Recast	\$ 146,350	\$ 129,062	\$ 106,292	\$ 85,750	\$ 59,904	\$ 53,293
Adjustments:						
Restructuring and other charges	5,489	28,012	20,386	11,776	4,614	-
Impact of the change in functional currency	-	-	-	-	3,286	-
Less income taxes on restructuring	(600)	(700)	(400)	(3,718)	(1,430)	-
Adjusted net earnings - Recast	\$ 151,239	\$ 156,374	\$ 126,278	\$ 93,808	\$ 66,374	\$ 53,293