

NOTES TO SUPPLEMENTAL FINANCIAL INFORMATION REGARDING TRANSITION TO IFRS:
1) Investment in joint venture

Under Canadian GAAP, the Company consolidated the accounts of its yarn-spinning joint venture CanAm. Under IFRS, CanAm is considered a jointly controlled entity over which the Company has joint control. Consequently, the Company no longer consolidates CanAm and accounts for the investment using the equity method as at October 4, 2010, which is the opening IFRS balance sheet date.

Impact on consolidated statements of financial position as at October 2, 2011, January 2, 2011 and October 4, 2010: Under IFRS, the Company's net investment in CanAm is presented as a long-term asset on one line in the consolidated statement of financial position, for an amount equal to the Company's initial investment and its cumulative share of undistributed earnings.

	October 2, 2011	January 2, 2011	October 4, 2010
Increase in investment in joint venture	\$ 13,038	\$ 12,625	\$ 12,533
Decrease in assets (excluding investment in joint venture)	(26,546)	(21,659)	(22,644)
Decrease in total liabilities and equity	(13,508)	(9,034)	(10,111)

Impact on consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): Consolidated net earnings and comprehensive income are not significantly affected by this change. Non-material adjustments to certain components of net earnings have been made as the Company's share of CanAm's net earnings are presented in a separate caption in the statement of earnings, appearing below the gross profit subtotal as opposed to presenting the results of CanAm on each line of the statement of earnings and comprehensive income.

2) Corporate aircraft lease

A previous lease of a corporate aircraft, which was accounted for as an operating lease under Canadian GAAP, met the criteria for a finance lease under IFRS at the transition date primarily due to the fact that the Company had given notice to the lessor in fiscal 2010 to exercise an early purchase option. Accordingly, this lease was recognized on the statement of financial position as a finance lease.

Impact on consolidated statements of financial position as at October 2, 2011, January 2, 2011 and October 4, 2010: The impact of reclassifying the corporate aircraft lease, previously classified as an operating lease, resulted in an increase in property, plant and equipment, an increase in current liabilities, and a decrease to prepaid expenses and deposits as at October 4, 2010 and January 2, 2011. During the second quarter of fiscal 2011, the Company completed the purchase of the corporate aircraft and immediately sold it to an external, unrelated party. There was no impact on net earnings in the accounting for the disposal of the corporate aircraft between Canadian GAAP and IFRS, therefore, there was no adjustment required at October 2, 2011 for the difference which existed at October 4, 2010.

	October 2, 2011	January 2, 2011	October 4, 2010
Decrease in prepaid expenses and deposits	\$ -	\$ (491)	\$ (491)
Increase in property, plant and equipment	-	16,762	16,998
Increase in current portion of long-term debt	-	16,648	16,879
Decrease in equity	-	(377)	(372)

Impact on consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): The impact of the difference in lease classification was a decrease in selling, general and administrative expenses (SG&A) due to the reversal of rent expense, partially offset by the depreciation incurred on the asset that was reclassified as a finance lease. Conversely, financial expenses increased due to the interest accretion on the debt related to the finance lease.

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011
Decrease in SG&A	\$ (221)	\$ (599)	\$ -	\$ -	\$ (820)
Increase in financial expenses	226	222	-	-	448
Increase (decrease) in comprehensive income	(5)	377	-	-	372

During the second quarter of fiscal 2011, the Company entered into a new lease for a corporate aircraft which was being accounted for as an operating lease under Canadian GAAP and which is also being accounted for as an operating lease under IFRS. Therefore there was no adjustment required to the statements of earnings and comprehensive income for the third and fourth quarters of fiscal 2011.

3) Assets held for sale

Under Canadian GAAP, assets held for sale were classified as non-current assets. Under IFRS, assets held for sale are classified as current assets.

Impact on consolidated statements of financial position as at October 2, 2011, January 2, 2011 and October 4, 2010: This difference has resulted in an adjustment of \$13.1 million as at October 2, 2011, \$11.6 million as at January 2, 2011 and \$3.2 million as at October 4, 2010 to reclassify assets held for sale from non-current to current assets.

Impact on consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): There is no impact on net earnings and comprehensive income.

4) Classification of deferred income taxes

Under Canadian GAAP, deferred income taxes are classified as current and non-current based on the classification of the underlying assets or liabilities to which they relate or, if there is no underlying recognized asset or liability, based on the expected reversal of the temporary difference. Under IFRS, deferred income taxes are classified as non-current. Also under IFRS deferred income tax assets and deferred income tax liabilities are offset if the taxable entity has a legally enforceable right to offset current income tax liabilities and current income tax assets, and the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Impact on consolidated statements of financial position as at October 2, 2011, January 2, 2011 and October 4, 2010: This difference has resulted in an adjustment of \$11.7 million as at October 2, 2011, nil at January 2, 2011 and \$6.3 million as at October 4, 2010 to reclassify deferred income tax assets from current to non-current. The reclassification of deferred income tax assets has been offset against non-current deferred tax liabilities.

Impact on consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): There is no impact on net earnings and comprehensive income.

5) Decommissioning and site restoration costs

Under Canadian GAAP, asset retirement obligations, which are referred to as liabilities for decommissioning and site restoration costs under IFRS, were not required to be recognized when the timing and/or method of settlement was conditional on a future event, the entity had several options to settle the obligation, and the obligation had an indeterminate settlement date. Under IFRS, when the method and timing of the future settlement of an existing obligation are uncertain, an entity should determine a range of possible outcomes and methods of settlement and make an estimate of the future obligation. Under Canadian GAAP, the Company did not recognize any liability and corresponding asset for the estimated future costs of decommissioning and site restoration for certain assets located at its textile and sock facilities since the criteria for recognition had not been met. However, it was determined that an obligation exists under IFRS. The Company has elected to use an optional exemption that allows the use of a simplified approach to calculate the IFRS adjustment for the depreciated cost of the property, plant and equipment at the transition date relating to the decommissioning and site restoration liability, as opposed to recalculating the asset value since its inception date as would otherwise be required under IFRS.

Impact on consolidated statements of financial position as at October 2, 2011, January 2, 2011 and October 4, 2010: The estimate of the present value of future decommissioning and site restoration costs for certain assets at the Company's offshore locations resulted in the recognition as at October 4, 2010 of a site restoration liability classified as a non-current liability, an increase to property, plant and equipment, and a reduction to equity to reflect the accumulated depreciation for the property, plant and equipment since inception.

	October 2, 2011	January 2, 2011	October 4, 2010
Increase in property, plant and equipment	\$ 4,528	\$ 4,738	\$ 4,808
Increase in provisions	8,226	7,951	7,951
Decrease in equity	(3,698)	(3,213)	(3,143)

Impact on consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): The increase in property, plant and equipment has resulted in an increase in depreciation expense, which is reported in cost of sales, as well as an increase in financial expenses to reflect the interest accretion on the decommissioning and site restoration liability.

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011
Increase in cost of sales	\$ 70	\$ 70	\$ 70	\$ 70	\$ 280
Increase in financial expenses	-	-	-	275	275
Decrease in comprehensive income	(70)	(70)	(70)	(345)	(555)

6) Components of property, plant and equipment

Under Canadian GAAP, the cost of an item of property, plant and equipment made up of significant separable component parts was allocated to the component parts only when practicable and when estimates could have been made of the lives of the separate components. Under IFRS, each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately, each with its own useful life, resulting in depreciation expense which may differ from depreciation expense under Canadian GAAP.

Impact on consolidated statements of financial position as at October 2, 2011, January 2, 2011 and October 4, 2010: The impact of the identification of significant components of certain buildings resulted in a reduction to property, plant and equipment, primarily due to lower useful lives assigned to certain components.

	October 2, 2011	January 2, 2011	October 4, 2010
Decrease in property, plant and equipment	\$ (3,447)	\$ (2,592)	\$ (2,354)
Decrease in deferred income tax liabilities	(373)	(329)	(315)
Decrease in equity	(3,074)	(2,263)	(2,039)

Impact on consolidated statement of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): The impact of the lower useful lives of the components of certain buildings resulted in an increase in depreciation expense resulting in an increase in cost of sales and SG&A expenses.

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011
Increase in cost of sales	\$ 194	\$ 198	\$ 230	\$ 238	\$ 860
Increase in SG&A	44	61	64	64	233
Income taxes	(14)	(14)	(15)	(15)	(58)
Decrease in comprehensive income	(224)	(245)	(279)	(287)	(1,035)

7) Income taxes - Deferred income tax assets in a business combination recognized subsequent to the measurement period

Under Canadian GAAP, additional deferred income tax assets of an acquired company that were not initially recognized within the measurement period, but were recognized subsequent to the measurement period were recognized first as a reduction of goodwill, then as a reduction of intangible assets before any adjustment was recognized in net earnings. Under IFRS, additional deferred tax assets of an acquired company that are recognized after the measurement period do not result in a reduction of intangible assets, and are instead recognized in net earnings. Under Canadian GAAP, the Company had recorded the recognition of a deferred income tax asset subsequent to the measurement period, in connection with a business combination which occurred prior to the IFRS transition date, as a reduction of intangible assets.

Impact on consolidated statements of financial position as at October 2, 2011, January 2, 2011 and October 4, 2010: This difference has resulted in an increase to intangible assets, to reverse the reduction of intangible assets described above.

	October 2, 2011	January 2, 2011	October 4, 2010
Increase in intangible assets	\$ 5,186	\$ 5,414	\$ 5,490
Increase in deferred income tax liabilities	1,868	1,949	1,976
Increase in equity	3,318	3,465	3,514

Impact on consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): The increase in intangible assets has resulted in an increase in amortization expense, which is reported in SG&A.

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011
Increase in SG&A	\$ 76	\$ 76	\$ 76	\$ 76	\$ 304
Income taxes	(27)	(27)	(27)	(27)	(108)
Decrease in comprehensive income	(49)	(49)	(49)	(49)	(196)

8) Income taxes - Assets transferred between entities within the consolidated group

Under Canadian GAAP, deferred income tax assets and liabilities were not recognized for temporary differences arising from assets transferred between entities within the consolidated group, although any income tax expense/recovery incurred by the selling entity was recorded on the statement of financial position as a non-tax asset/liability. Under IFRS, the tax expense/recovery incurred by the selling entity is not deferred, but a deferred income tax asset/liability is recorded for the temporary difference resulting from the internal transfer (essentially the change in the tax basis), measured at the buying entity's tax rate.

Impact on consolidated statements of financial position as at October 2, 2011, January 2, 2011 and October 4, 2010: This difference has resulted in the reversal of a non-tax asset which was included in other assets, and the recognition of deferred income tax assets, which have been offset against deferred income tax liabilities. The adjustment to decrease deferred income tax liabilities reflects the tax effect of temporary differences for certain inventories which have been transferred between entities within the consolidated group, using the buying entity's tax rate.

	October 2, 2011	January 2, 2011	October 4, 2010
Decrease in other assets	\$ (1,029)	\$ (1,029)	\$ (1,029)
Decrease in deferred income tax liabilities	(2,097)	(1,633)	(1,366)
Increase in equity	1,068	604	337

Impact on consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): This difference has resulted in a decrease in income taxes with a corresponding increase in net earnings and comprehensive income.

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011
Income taxes	\$ (267)	\$ (173)	\$ (146)	\$ (145)	\$ (731)
Increase in comprehensive income	267	173	146	145	731

9) Business combinations - Contingent consideration

Under Canadian GAAP, contingent consideration was recognized at the date of acquisition of a business when the amount could have been reasonably estimated and the outcome was determinable beyond reasonable doubt. Otherwise, contingent consideration was recognized when resolved as an additional cost of the purchase (which usually resulted in such costs being added to goodwill). Under IFRS, contingent consideration is recognized at the date of acquisition at fair value, generally as a liability, and the impact of changes in the subsequent re-measurement of contingent consideration is generally recorded in net earnings.

Impact on consolidated statements of financial position as at October 2, 2011, January 2, 2011 and October 4, 2010: At October 4, 2010, an adjustment has been recorded to recognize a liability of \$5.8 million at the transition date with a corresponding decrease to retained earnings, with respect to contingent consideration which was part of a business combination that occurred prior to the IFRS transition date and which was recognized under Canadian GAAP after the transition date. This adjustment has been charged to retained earnings under IFRS rather than goodwill because IFRS does not permit transition date adjustments to be made to goodwill in this case. During the second quarter of fiscal 2011, the contingent consideration was resolved for an amount of \$5.8 million which was recorded as an increase to goodwill under Canadian GAAP. As a result, no IFRS adjustment was required at October 2, 2011 to recognize a liability for the contingent consideration, however an adjustment was required to reduce goodwill by \$5.8 million since IFRS does not permit adjustments to goodwill in this case.

	October 2, 2011	January 2, 2011	October 4, 2010
Decrease in goodwill	\$ (5,815)	\$ -	\$ -
Increase in accounts payable and accrued liabilities	-	5,815	5,815
Decrease in equity	(5,815)	(5,815)	(5,815)

During the third quarter of fiscal 2011, the Company acquired 100% of the capital stock of Gold Toe Moretz Holdings Corp. ("Gold Toe Moretz") for an aggregate purchase price of \$347.7 million, net of cash acquired, including contingent consideration of approximately \$5.3 million. The contingent consideration was not recognized under Canadian GAAP, but must be recognized under IFRS, resulting in an adjustment to increase accounts payable and accrued liabilities to recognize the estimated fair value of the contingent consideration at the date of acquisition, with a corresponding increase to goodwill of approximately \$3.3 million, net of deferred income taxes. The contingent consideration was subsequently re-measured at October 2, 2011 as described below which resulted in a decrease of the contingent consideration payable from \$5.3 million to \$3.9 million.

	October 2, 2011	January 2, 2011	October 4, 2010
Increase in goodwill	\$ 3,345	\$ -	\$ -
Increase in accounts payable and accrued liabilities	3,850	-	-
Decrease in deferred income tax liabilities	(1,425)	-	-
Increase in equity	920	-	-

Impact on consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): The re-measurement of the contingent consideration mentioned above relating to the Gold Toe Moretz acquisition resulted in a credit to net earnings during the fourth quarter of fiscal 2011, and was included in restructuring and acquisition-related costs.

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011
Decrease in restructuring and acquisition-related costs	\$ -	\$ -	\$ -	\$ (1,460)	\$ (1,460)
Income taxes	-	-	-	540	540
Increase in comprehensive income	-	-	-	920	920

10) Classification of statutory severance and other post-employment benefit obligations

Impact on consolidated statements of financial position as at October 2, 2011, January 2, 2011 and October 4, 2010: An adjustment has been recorded to reclassify statutory severance and other post-employment benefit obligations of \$13.8 million as at October 2, 2011, \$11.8 million as at January 2, 2011, and \$12.2 million as at October 4, 2010 from accounts payable and accrued liabilities to non-current employee benefit obligations.

Impact on consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): There is no impact on net earnings and comprehensive income.

11) Foreign exchange cumulative translation differences

Impact on consolidated statements of financial position as at October 2, 2011, January 2, 2011 and October 4, 2010: The Company has elected to use an exemption which permits the balance of any cumulative translation adjustment (CTA) to be eliminated by an adjustment to opening retained earnings at the transition date. As a result, the Company eliminated its CTA balance of \$26.2 million which was included in accumulated other comprehensive income through an adjustment to retained earnings as at October 2, 2011, January 2, 2011 and October 4, 2010.

Impact on consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): There is no impact on net earnings and comprehensive income.

12) Business combinations – Restructuring and acquisition-related costs

Under IFRS, transaction costs and restructuring costs are generally charged to earnings as incurred. Under Canadian GAAP, transaction costs and certain anticipated post-acquisition restructuring and integration costs incurred in connection with the acquisition of Gold Toe Moretz in fiscal 2011 were included in the cost of the purchase (which resulted in such costs being added to goodwill, net of income taxes).

Impact on consolidated statement of financial position as at October 4, 2010: There is no impact on the consolidated statement of financial position as at October 4, 2010.

Impact on consolidated statements of financial position as at October 2, 2011 and January 2, 2011 and consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): An adjustment of \$7.7 million was recorded as a charge to restructuring and acquisition-related costs in the third quarter of fiscal 2011 with a \$5.8 million reduction to goodwill and a decrease in income taxes of \$1.8 million, regarding acquisition-related costs incurred in connection with the acquisition of Gold Toe Moretz in the third quarter of fiscal 2011.

	October 2, 2011	January 2, 2011	October 4, 2010
Decrease in goodwill	\$ (5,839)	\$ -	\$ -
Decrease in equity	(5,839)	-	-

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011
Increase in restructuring and acquisition-related costs	\$ -	\$ -	\$ 7,666	\$ -	\$ 7,666
Income taxes	-	-	(1,827)	-	(1,827)
Decrease in comprehensive income	-	-	(5,839)	-	(5,839)

13) Business combinations – Employee Benefits

Under both Canadian GAAP and IFRS, the funded status of a defined benefit pension plan of an acquired company is fully recognized at the acquisition date. Under Canadian GAAP, the effects of any planned amendments, terminations or curtailments are included in the measurement of the funded status of the plan at the date of acquisition. However under IFRS, the effects of any planned, but not executed, amendments, terminations, or curtailments to defined benefit pension plans and other post employment plans acquired are excluded from the measurement of the funded status of those plans at the date of acquisition. Such actions are recognized in the post business combination financial statements as a charge or credit to earnings, as the actions occur.

Impact on consolidated statements of financial position as at January 2, 2011 and October 4, 2010: No impact on the consolidated statements of financial position as at January 2, 2011 and October 4, 2010.

Impact on consolidated statement of financial position as at October 2, 2011 and consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): As a result of the planned termination of the Gold Toe Moretz defined benefit pension plan, the initial measurement of the accrued pension benefit liability at the date of acquisition was higher under Canadian GAAP resulting in an IFRS adjustment to decrease accounts payable and accrued liabilities by \$4.7 million, and a decrease to goodwill of \$3 million, net of deferred income taxes at the date of acquisition, in the third quarter of fiscal 2011. The subsequent impact on net earnings related to differences between Canadian GAAP and IFRS in the measurement of the accrued benefit liability at October 2, 2011 resulted in an additional pension expense of \$3.5 million under IFRS, which was included in restructuring and acquisition-related costs since the charge was due to the partial settlement of the defined benefit pension plan acquired from the acquisition of Gold Toe Moretz, bringing the net adjustment to employee benefit obligations to \$1.2 million at October 2, 2011.

	October 2, 2011	January 2, 2011	October 4, 2010
Decrease in goodwill	\$ (2,977)	\$ -	\$ -
Decrease in employee benefit obligations	(1,220)	-	-
Increase in deferred income tax liabilities	452	-	-
Decrease in equity	(2,209)	-	-

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011
Increase in restructuring and acquisition-related costs	\$ -	\$ -	\$ -	\$ 3,506	\$ 3,506
Income taxes	-	-	-	(1,297)	(1,297)
Decrease in comprehensive income	-	-	-	(2,209)	(2,209)

14) Employee benefits – Actuarial gains/losses related to defined benefit plans

Under IFRS, companies are permitted an accounting policy choice of either (i) recognizing the full funded status of defined benefit plans and recording the entire amount of actuarial gains or losses in earnings immediately; (ii) recognizing a partial amount of the funded status and recording the actuarial gains or losses in earnings using the “corridor method” for the portion of actuarial gains or losses exceeding a certain minimum threshold; or (iii) recognizing the entire amount of actuarial gains or losses to other comprehensive income with no systematic periodic amortization to earnings. The Company’s accounting policy choice under Canadian GAAP for the Gold Toe Moretz defined benefit plan was to use the “corridor method” and recognize only the portion of actuarial gains or losses that exceeded a certain threshold, of which the excess amounted to nil in fiscal 2011. Canadian GAAP also permitted companies to apply different accounting policy choices when more than one defined benefit plan existed. Under IFRS, companies must apply the same accounting policy for all types of defined benefit plans. The Company has adopted an accounting policy for its defined benefit plans under IFRS to recognize the entire amount of actuarial gains or losses to other comprehensive income with no systematic periodic amortization to earnings.

Impact on consolidated statements of financial position as at January 2, 2011 and October 4, 2010: There is no impact on the consolidated statements of financial position as at January 2, 2011 and October 4, 2010.

Impact on consolidated statement of financial position as at October 2, 2011 and consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods): An adjustment of \$4.0 million was recorded in order to reclassify the pension liability previously recorded in accounts payable and accrued liabilities under Canadian GAAP to non-current employee benefit obligations under IFRS. An adjustment was also recorded to increase the pension liability by \$3.7 million as at October 2, 2011 under IFRS (resulting in a total increase to employee benefit obligations of \$7.6 million), with a corresponding charge of \$2.3 million, net of deferred income taxes, to other comprehensive income to reflect the funded status of the defined benefit pension plan.

	October 2, 2011	January 2, 2011	October 4, 2010
Decrease in accounts payable and accrued liabilities	\$ (3,973)	\$ -	\$ -
Increase in employee benefit obligations	7,639	-	-
Decrease in deferred income tax liabilities	(1,357)	-	-
Decrease in equity	(2,309)	-	-

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011
Decrease in other comprehensive income	\$ -	\$ -	\$ (166)	\$ (2,143)	\$ (2,309)
Decrease in comprehensive income	-	-	(166)	(2,143)	(2,309)

15) Employee Benefits – Statutory severance liability

The Company maintains a liability for statutory severance and pre-notice benefit obligations for active employees located in the Caribbean Basin and Central America which is payable to the employees in a lump sum payment upon termination of employment. The liability meets the definition of a defined benefit plan under both Canadian GAAP and IFRS. As described in note 14 above, under Canadian GAAP, companies were permitted to apply different accounting policy choices when more than one defined benefit plan existed. As such, the Company's accounting policy under Canadian GAAP for the statutory severance liability was to recognize the entire amount of actuarial gains or losses in earnings which amounted to an actuarial loss of approximately \$1.6 million based on an actuarial valuation that was performed in the fourth quarter of fiscal 2011. As mentioned in note 14 above, the Company has adopted an accounting policy for its defined benefit plans under IFRS to recognize the entire amount of actuarial gains or losses to other comprehensive income with no systematic periodic amortization to earnings. As such, a reclassification adjustment was required in the fourth quarter of fiscal 2011 resulting in a decrease to cost of sales and a decrease to other comprehensive income of \$1.6 million.

Impact on consolidated statements of financial position as at October 2, 2011, January 2, 2011 and October 4, 2010: There is no impact on the consolidated statement of financial position as at October 2, 2011, January 2, 2011 and October 4, 2010.

Impact on consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 (including interim periods):

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011
Decrease in cost of sales	\$ -	\$ -	\$ -	\$ (1,643)	\$ (1,643)
Decrease in other comprehensive income	-	-	-	(1,643)	(1,643)

16) Statements of cash flows

The transition from Canadian GAAP to IFRS has not had a significant impact on the consolidated statements of cash flows except for the following:

	Three months ended January 2, 2011			Twelve months ended October 2, 2011		
	Canadian GAAP	Adjustment	IFRS	Canadian GAAP	Adjustment	IFRS
Cash flows from operating activities	\$ 14,815	\$ 3,101	\$ 17,916	\$ 181,550	\$ (17,911)	\$ 163,639
Cash flows from financing activities	1,297	(231)	1,066	172,832	(17,233)	155,599
Cash flows used in investing activities	(39,884)	626	(39,258)	(523,937)	35,966	(487,971)
Effect of exchange rate changes on cash and cash equivalents denominated in foreign currencies	255	-	255	(85)	-	(85)
Net decrease in cash and cash equivalents during the period	(23,517)	3,496	(20,021)	(169,640)	822	(168,818)
Cash and cash equivalents, beginning of period	258,442	(7,599)	250,843	258,442	(7,599)	250,843
Cash and cash equivalents, end of period	\$ 234,925	\$ (4,103)	\$ 230,822	\$ 88,802	\$ (6,777)	\$ 82,025

The decrease in cash flows from operating activities for the year ended October 2, 2011 from Canadian GAAP to IFRS of \$17.9 million is due primarily to: (i) the impact of the decrease in net earnings resulting from the expensing of acquisition-related costs incurred in connection with the acquisition of Gold Toe Moretz of \$7.7 million as described in note 12) to the reconciliations from Canadian GAAP to IFRS; (ii) the impact of the decrease in accounts payable and accrued liabilities as a result of the contingent consideration of \$5.8 million which was recorded at the transition date under IFRS in connection with a business combination which occurred prior to the transition date and was paid during fiscal 2011 as described in note 9) to the reconciliations from Canadian GAAP to IFRS; and (iii) the impact of the change of accounting for the Company's investment in CanAm as described in note 1) to the reconciliations from Canadian GAAP to IFRS which resulted in a decrease in cash flows from operating activities of \$4.0 million.

The decrease in cash flows from financing activities for the year ended October 2, 2011 from Canadian GAAP to IFRS of \$17.2 million is primarily due to the impact of the repayment of the finance lease obligation in the amount of \$17.0 million as a result of the disposal of the corporate aircraft which was reclassified as a finance lease under IFRS as described in note 2) to the reconciliations from Canadian GAAP to IFRS.

The decrease in cash flows used in investing activities for the year ended October 2, 2011 from Canadian GAAP to IFRS of \$36 million is primarily due to: (i) the impact of the reclassification of the corporate aircraft lease as a finance lease in which the repayment of the finance lease obligation of \$17 million described above, was previously offset against the proceeds of disposal in investing activities; (ii) the impact of the acquisition-related costs incurred in connection with the acquisition of Gold Toe Moretz in the amount of \$7.7 million described above which was previously included as a cash outflow in investing activities under Canadian GAAP; (iii) the impact of the contingent consideration of \$5.8 million described above which was settled in fiscal 2011 and was not considered as part of investing activities under IFRS; and (iv) the impact of the change of accounting for the Company's investment in CanAm from Canadian GAAP to IFRS which resulted in an increase in cash flows from investing activities of \$4.8 million.

Non-GAAP Measures

The Company uses non-GAAP measures to assess its operating performance and financial condition. The terms and definitions of the non-GAAP measures used in this report are described below, and a reconciliation of each non-GAAP measure to the most directly comparable IFRS measure are provided in the financial statements accompanying these notes. These non-GAAP measures do not have any standardized meanings prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Accordingly, they should not be considered in isolation.

Adjusted Net Earnings and Adjusted EPS

To measure the Company's performance from one period to the next, without the variations caused by the impacts of restructuring and acquisition-related costs, net of related income tax recoveries, management uses adjusted net earnings and adjusted diluted earnings per share, which are calculated as net earnings and diluted earnings per share excluding these items. We exclude these items because they affect the comparability of the Company's financial results and could potentially distort the analysis of trends in the Company's business performance. Excluding these items does not imply they are necessarily non-recurring.

Free Cash Flow

Free cash flow is defined as cash from operating activities including net changes in non-cash working capital balances, less cash flow used in investing activities excluding business acquisitions. The Company considers free cash flow to be an important indicator of the financial strength and performance of its business, because it shows how much cash is available after capital expenditures to repay debt and to reinvest in its business, and/or to redistribute to its shareholders. The Company believes this measure is commonly used by investors and analysts when valuing a business and its underlying assets.

EBITDA

EBITDA is calculated as earnings before financial expenses/income, taxes and depreciation and amortization and excludes the impact of restructuring and acquisition-related costs as well as the equity earnings in investment in joint venture. The Company uses EBITDA, among other measures, to assess the operating performance of its business. The Company also believe this measure is commonly used by investors and analysts to measure a company's ability to service debt and to meet other payment obligations, or as a common valuation measurement. The Company excludes depreciation and amortization expenses, which are non-cash in nature and can vary significantly depending upon accounting methods or non-operating factors such as historical cost. Excluding these items does not imply they are necessarily non-recurring.