

SUPPLEMENTAL FINANCIAL INFORMATION REGARDING THE TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

As previously disclosed in our Management's Discussion and Analysis, the Canadian Accounting Standards Board (AcSB) confirmed in February 2008 that IFRS, as issued by the International Accounting Standards Board (IASB), will replace Canadian GAAP for publicly accountable enterprises effective for fiscal years beginning on or after January 1, 2011. As a result, the changeover to IFRS is required for Gildan's fiscal 2012 interim and annual financial statements beginning October 3, 2011 (the "changeover date").

Moreover, pursuant to IFRS 1, *First Time Adoption of International Financial Reporting Standards*, we are required, as a first-time adopter of IFRS, to select accounting policies that are in compliance with each IFRS effective at the end of our first annual IFRS reporting period (September 30, 2012 for Gildan), and apply those policies to all periods presented in our first IFRS financial statements including the comparative periods. Therefore, the starting point for our accounting in accordance with IFRS is fiscal 2011, beginning on October 4, 2010 (the "transition date"). The interim and annual financial statements for fiscal 2011 will be prepared in accordance with IFRS in fiscal 2012 as comparative information.

We have made available on our website the following unaudited recast financial information for fiscal 2011 in accordance with IFRS:

- Recast consolidated statements of financial position as at October 4, 2010 (the transition date) and October 2, 2011 as well as each interim reporting period within fiscal 2011;
- Recast consolidated statements of earnings and comprehensive income for fiscal 2011 as well as each interim reporting period within fiscal 2011;
- Recast adjusted net earnings, adjusted diluted earnings per share, and EBITDA for fiscal 2011 as well as each interim reporting period within fiscal 2011¹; and
- Recast consolidated statements of cash flows and free cash flow¹ for fiscal 2011 as well as the year-to-date interim reporting periods within fiscal 2011.

We have also made available on our website unaudited reconciliations from Canadian GAAP to IFRS of the following financial information for fiscal 2011, with explanatory notes of the differences identified:

- Consolidated statements of financial position as at October 4, 2010 (the transition date), October 2, 2011 and January 2, 2011;
- Consolidated statements of earnings and comprehensive income for the year ended October 2, 2011 as well as each interim reporting period within fiscal 2011.

The financial information provided is to allow investors and others to obtain a better understanding of the effects of the changeover to IFRS on the Company's financial position and results of operations. Readers are cautioned, however, that it may not be appropriate to use such information for any other purpose. The financial information made available on our website should be read in conjunction with the Company's condensed interim consolidated financial statements for the three months ended January 1, 2012 and the notes thereto which have been filed by Gildan with the Canadian securities regulatory authorities and with the U.S. Securities and Exchange Commission. This information reflects assumptions based on information available as at the date of this report, and circumstances may arise, such as changes in IFRS standards or economic conditions, which could materially change these assumptions, and may require retrospective application of new IFRS standards or cause the Company to select different accounting policies than the conclusions reached to date. In addition, the IASB has a number of on-going projects on its agenda, and IFRS standards and interpretations are continuously subject to change. Our summary of the key changes is complete with the expectation that we will apply IFRS in effect as at the date of this report. However we will only make final decisions regarding early adoption of any new standards as they are issued by the IASB.

¹ Adjusted net earnings, adjusted diluted earnings per share, EBITDA and free cash flow are Non-GAAP measures. Please refer to the notes to the supplemental financial information regarding the transition to IFRS for a description of these Non-GAAP measures.