

April 18, 2002



Delta Apparel Announces Record Sales and Operating Profits for the Third Fiscal Quarter

DULUTH, Ga., Apr 18, 2002 (BUSINESS WIRE) -- Delta Apparel, Inc. (AMEX:DLA) announces record sales of \$32.9 million for the quarter ended March 30, 2002, up \$4.9 million, or 17.5%, from the prior year quarter.

Increased sales were the result of a 19.3% increase in unit volume, offset by a 1.5% decrease in average selling prices from the prior year quarter. The drop in retail demand negatively impacted the Company's private label volume for the quarter, although the rate of incoming private label orders improved from last quarter. Operating earnings were \$3.1 million, up \$0.1 million from the prior year quarter. EBITDA for the quarter was \$4.7 million, up \$0.2 million from the prior year quarter.

Interest expense was \$0.2 million for the quarter, compared to \$0.4 million in the prior year quarter. The reduction in interest expense resulted from a decrease of approximately \$7.0 million in average debt outstanding and a reduction in the average interest rates of over 400 basis points.

The effective tax rate on pretax income for the three months ended March 30, 2002 was 37.1%, compared to 18.0% for the prior year quarter and 9.0% for the fiscal year ended June 30, 2001. During fiscal year 2001, the Company used \$8.6 million in federal net operating loss carryforwards, resulting in the lower effective tax rate. The Company believes that its effective tax rate will be approximately 36% to 38% for fiscal year 2002.

Net earnings for the quarter were \$1.9 million, or 5.7% of sales, down \$0.3 million from the prior year quarter. Basic and diluted earnings per share for the quarter ended March 30, 2002 were \$0.92 and \$0.87 per share, respectively, up from \$0.91 and \$0.87 basic and diluted earnings per share for the prior year quarter. Early in the quarter, the Company completed its Dutch Tender Offer, repurchasing 338,143 shares for a total of \$7.6 million. This brought the basic weighted average shares outstanding for the quarter to 2.04 million shares, down from 2.40 million shares in the prior year quarter. On March 30, 2002, the Company had 1.97 million shares outstanding.

Sales for the first nine months of fiscal year 2002 were \$88.2 million, up \$3.2 million, or 3.8%, from the first nine months of last year. For the nine months ended March 30, 2002, operating earnings were \$4.7 million, down \$4.9 million from the first nine months of last year. EBITDA for the first nine months of fiscal year 2002 was \$9.4 million, down \$4.9 million, or 34.3%, from the first nine months of last year.

Interest expense was \$0.5 million for the nine months ended March 30, 2002, compared to \$0.9 million in the first nine months of last year. This reduction resulted from a decrease in average borrowings and a decrease in interest rates.

Net earnings for the first nine months of fiscal year 2002 were \$2.6 million, down \$4.5 million from the first nine months of last year. Basic and diluted earnings per share for the nine months ended March 30, 2002 were \$1.17 and \$1.11 per share, respectively. For the nine months ended March 31, 2001, basic and diluted earnings per share were \$2.95 and \$2.87 per share, respectively.

Delta Apparel has appointed David S. Fraser to the Board of Directors effective April 18, 2002. David is a retired business executive who resides in Atlanta, Georgia. He is a graduate of UCLA and has held numerous financial and operational positions in both public and private companies. In addition, David has experience serving as an outside Board Member.

Robert W. Humphreys, President and CEO, commented, "We are extremely excited to announce record sales and operating profit for our most recent quarter. Demand for activewear improved during the quarter and inventories appear to be in good shape. We are encouraged by our results and expect improved demand to continue in our fourth quarter.

"This month we expect to complete the acquisition of a modern textile facility located in Fayette, Alabama. This facility will be used to knit, dye, finish and cut fabric to be assembled into garments in our sewing facilities located in Honduras and Mexico. This plant will initially increase the Company's output by approximately 25% which will allow us to service the new accounts we are adding to our customer base, and allow us to expand our product offerings to existing customers. We expect production to begin in Fayette during the fourth quarter of fiscal 2002."

Delta Apparel, Inc. is a vertically integrated manufacturer and marketer of high quality knit apparel. The Company specializes in selling undecorated T-shirts, golf shirts and tank tops to distributors, screen printers and private label accounts. Delta Apparel has operations in six states, two company-operated sewing facilities in Honduras and one company-operated sewing facility in Mexico. The Company employs about 2,700 worldwide.

Statements and other information in this press release that are not reported financial results or other historical information are forward-looking statements. These are based on Delta Apparel's expectations and are necessarily dependent upon assumptions, estimates and data that the Company believes are reasonable and accurate but may be incorrect, incomplete or imprecise. Forward-looking statements are also subject to a number of business risks and uncertainties, any of which could cause actual results to differ materially from those set forth in or implied by the forward-looking statements. These risks and uncertainties include, among others, changes in the retail demand for apparel products, the cost of raw materials, competitive conditions in the apparel and textile industries, the relative

strength of the United States dollar as against other currencies, changes in United States trade regulations and the discovery of unknown conditions (such as with respect to environmental matters and similar items). Accordingly, any forward-looking statements do not purport to be predictions of future events or circumstances and may not be realized. The Company does not undertake to publicly update or revise the forward-looking statements even if it becomes clear that any projected results will not be realized.

SELECTED FINANCIAL DATA:

(In thousands, except per share amounts)

	Three Months Ended		Nine Months Ended	
	Mar 30, 2002	Mar 31, 2001	Mar 30, 2002	Mar 31, 2001
Net Sales	\$ 32,860	\$ 27,975	\$ 88,211	\$ 84,994
Cost of Goods Sold	26,618	22,185	75,261	67,247
Gross Margin	6,242	5,790	12,950	17,747
SG&A	3,076	2,745	8,416	8,167
Other Expense (Income)	25	(3)	(149)	(17)
Operating Income	3,141	3,048	4,683	9,597
Interest Expense	157	386	524	942
Taxes	1,106	479	1,540	1,558
Net Income	\$ 1,878	\$ 2,183	\$ 2,619	\$ 7,097
Weighted Average Shares Outstanding				
Basic	2,037	2,401	2,247	2,407
Diluted	2,159	2,496	2,362	2,472
Net Income per Common Share				
Basic	\$ 0.92	\$ 0.91	\$ 1.17	\$ 2.95
Diluted	\$ 0.87	\$ 0.87	\$ 1.11	\$ 2.87
		3/30/02	6/30/01	3/31/01
Current Assets				
Cash		\$ 795	\$ 165	\$ 25
Receivables, Net		17,355	22,042	19,373
Income Tax Receivable		-	1,086	70
Inventories		39,363	41,619	48,277
Deferred Income Taxes		1,261	925	1,108
Other Assets		819	1,597	1,583
Total Current Assets		59,593	67,434	70,436
Noncurrent Assets				
Property, Plant & Equipment, Net		21,170	23,750	24,036
Other Noncurrent Assets		52	139	165
Total Noncurrent Assets		21,222	23,889	24,201
Total Assets		\$ 80,815	\$ 91,323	\$ 94,637
Current Liabilities				
Current Portion of Long Term Debt		\$ 3,750	\$ 8,435	\$ 12,778
Income Tax Payable		1,661	-	-
Other Current Liabilities		12,514	12,627	14,132
Total Current Liabilities		17,925	21,062	26,910
Noncurrent Liabilities				
Long-Term Debt		4,167	5,667	6,167
Deferred Income Taxes		608	375	145
Other Noncurrent Liabilities		1,079	736	703
Total Noncurrent Liabilities		5,854	6,778	7,015
Stockholders' Equity		57,036	63,483	60,712
Total Liabilities and Stockholders' Equity		\$ 80,815	\$ 91,323	\$ 94,637

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