

2012



2012

Annual Meeting

# Forward Looking Statements



The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by or on behalf of the Company. We may from time to time make written or oral statements that are “forward-looking,” including statements contained in this presentation, in our press releases, in oral statements, in reports we may file with the SEC and other reports to our shareholders. All statements, other than statements of historical fact, which address activities, events or developments that we expect or anticipate will or may occur in the future are forward-looking statements. The words “estimate”, “project”, “forecast”, “anticipate”, “expect”, “intend”, “believe” and similar expressions, and discussions of strategy or intentions, are intended to identify forward-looking statements.

Any forward-looking statements made during this presentation are based on our expectations and are necessarily dependent upon assumptions, estimates and data that we believe 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. The risks and uncertainties include, among others:

- ▲ the volatility and uncertainty of cotton and other raw material prices;
- ▲ the general U.S. and international economic conditions;
- ▲ the financial difficulties encountered by our customers and suppliers and credit risk exposure;
- ▲ the competitive conditions in the apparel and textile industries;
- ▲ our ability to predict or react to changing consumer preferences or trends;
- ▲ pricing pressures and the implementation of cost reduction strategies;
- ▲ changes in the economic, political and social stability at our offshore locations;
- ▲ our ability to retain key management;
- ▲ the effect of unseasonable weather conditions on purchases of our products;
- ▲ significant changes in our effective tax rate;
- ▲ any restrictions to our ability to borrow capital or obtain financing;
- ▲ the ability to raise additional capital; •the ability to grow, achieve synergies and realize the expected profitability of recent acquisitions;
- ▲ the volatility and uncertainty of energy and fuel prices;
- ▲ any material disruptions in our information systems related to our business operations; •any data security or privacy breaches;
- ▲ any significant interruptions with our distribution network;
- ▲ changes in or our ability to comply with safety, health and environmental regulations;
- ▲ any significant litigation in either domestic or international jurisdictions:
- ▲ the ability to protect our trademarks; •the ability to obtain and renew our significant license agreements;
- ▲ the impairment of acquired intangible assets; •changes in e-commerce laws and regulations;
- ▲ changes to international trade regulations; •changes in employment regulations;
- ▲ foreign currency exchange rate fluctuations;
- ▲ any negative publicity regarding domestic or international business practices;
- ▲ the illiquidity of our shares and volatility of the stock market; and
- ▲ price volatility in our shares and the general volatility of the stock market; and
- ▲ the costs required to comply with the regulatory landscape regarding public company governance and disclosure.

A detailed discussion of significant risk factors that have the potential to cause actual results to differ materially from our expectations is described under the subheading “Risk Factors” in our Form 10-K for our fiscal year ended July 2, 2011 filed with the SEC and are beyond our control. Any forward-looking statements made during this presentation do not purport to be predictions of future events or circumstances and may not be realized. Any forward-looking statements are made only as of the date of this presentation and we do not undertake publicly to update or revise the forward-looking statements even if it becomes clear that any projected results will not be realized.

The risks described here and in our Form 10-K for our fiscal year ended July 2, 2011 and other SEC filings are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition, and/or operating results.

# Delta Apparel, Inc.



**Branded: Proprietary**



**Licensed**



**Basics:**



**FunTees**  
A DIVISION OF DELTA APPAREL

**Licenses:**

**Colleges and Universities,  
Disney, NFL, Warner Bros.**

**Manufacturing:**

**Vertically-Integrated and  
Flexible Supply Chain**



**Employees:**

**7,200 Worldwide**

# History of Delta Apparel, Inc.



**Public Company**  
*June 2000*



**Acquisition M.J. Soffe**  
*October 2003*

**Offshore Textiles Ceiba Textiles**  
*August 2006*



**Acquisition FunTees**  
*October 2006*



**Exclusive License Realtree Outfitters**  
*October 2009*



**Acquisition Art Gun**  
*December 2009*



2000

## Delta Apparel, Inc.

2012

**Acquisition Junkfood Clothing**  
*August 2005*



**Acquisition Intensity Athletics**  
*October 2005*



**Acquisition The Game**  
*March 2009*



**Acquisition The Cotton Exchange**  
*July 2010*



**Exclusive License Salt Life**  
*December 2010*





# FY 12 Growth Achievements



## Focus Area

## Accomplishments

### Support Future Growth

- Brand Growth at Salt Life, Junk Food and The Game
- Salt Life Retail Store Opened
- Expanded Soffe In-Store Branded Displays

### Increase Manufacturing

- Record Textile/Sew/Print Production Achieved
- Soffe Print Expansion for Salt Life Completed; El Salvador Print Expansion Underway
- Ability to Further Grow Business Without Significant Capital Expenditures

### DLA Business Systems

- Launched Blue Cherry ERP at The Game

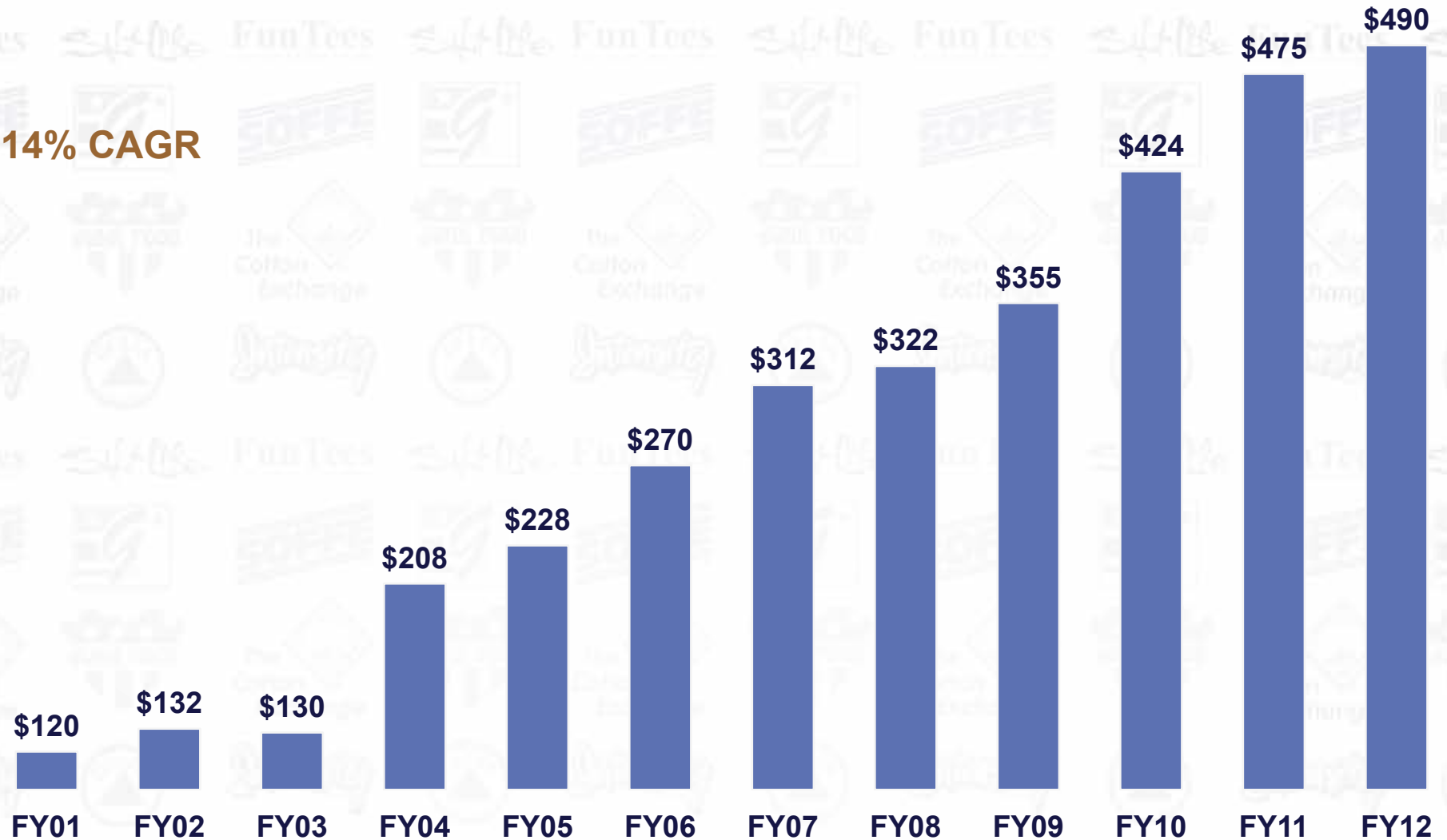
### Investment in Key Personnel

- Hired Key Senior Leaders with Extensive Industry Experience
- Significant Investment in Outside Development Activities

# Sales Growth



14% CAGR



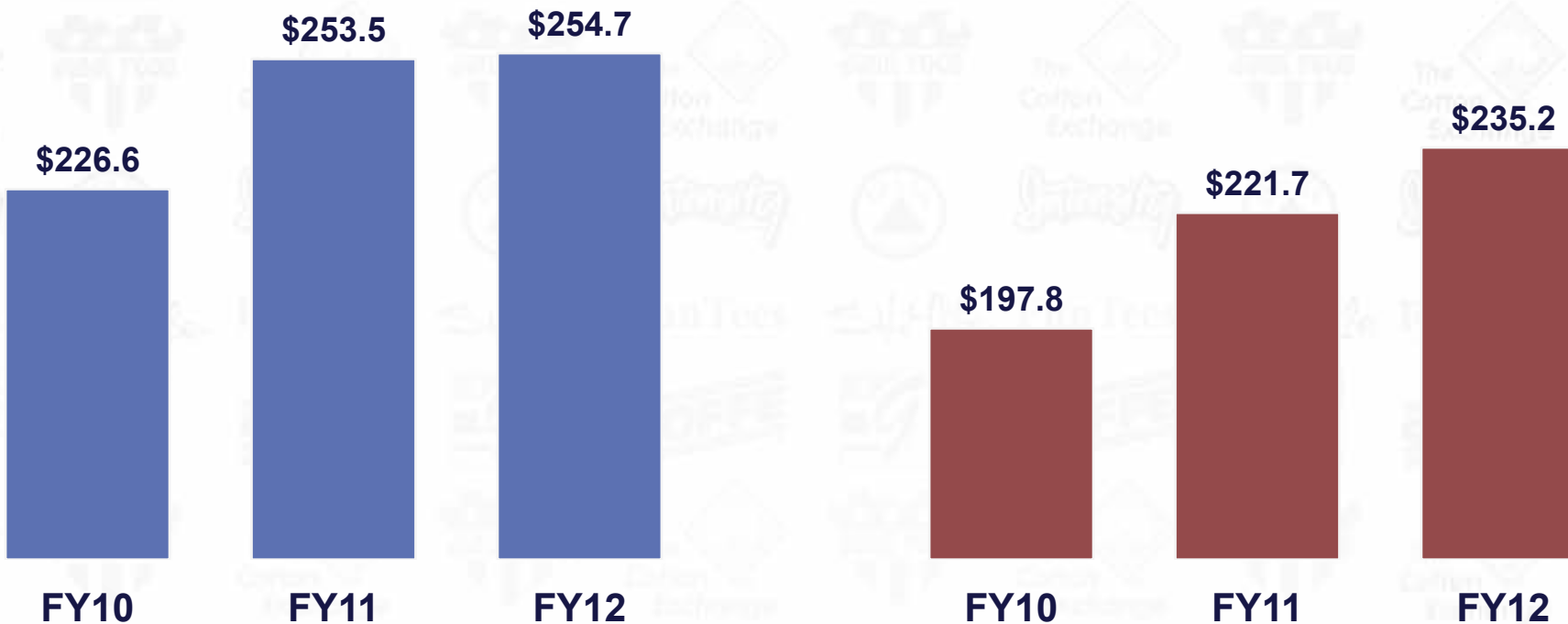
In millions

# Organic Sales Growth



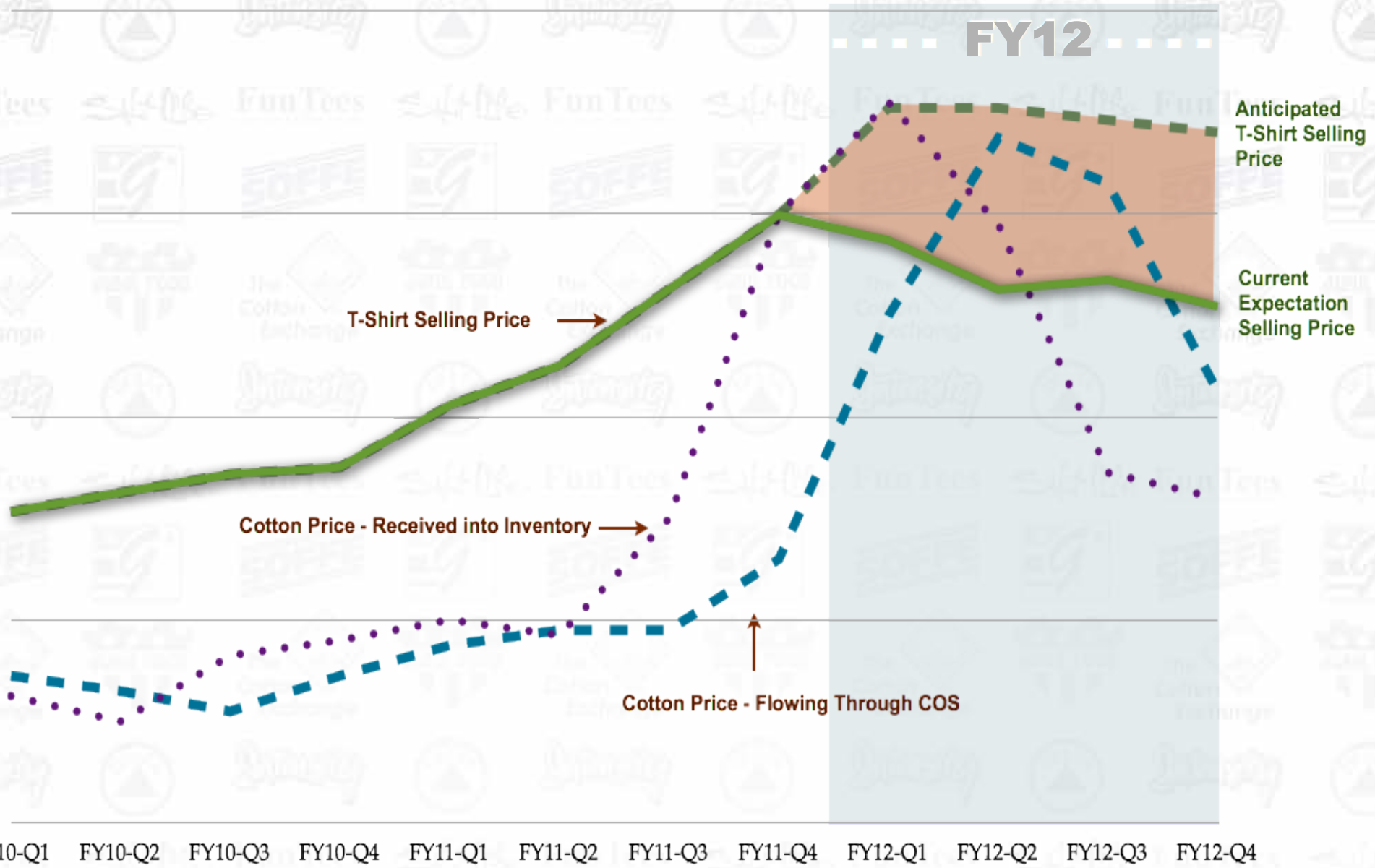
## Basics

## Branded



In millions

# Cotton Price Impact





# Cotton Price Impact



<b>FY12 Reported Earnings</b>	<b>(\$0.29)</b>
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EPS Impacts in FY12:

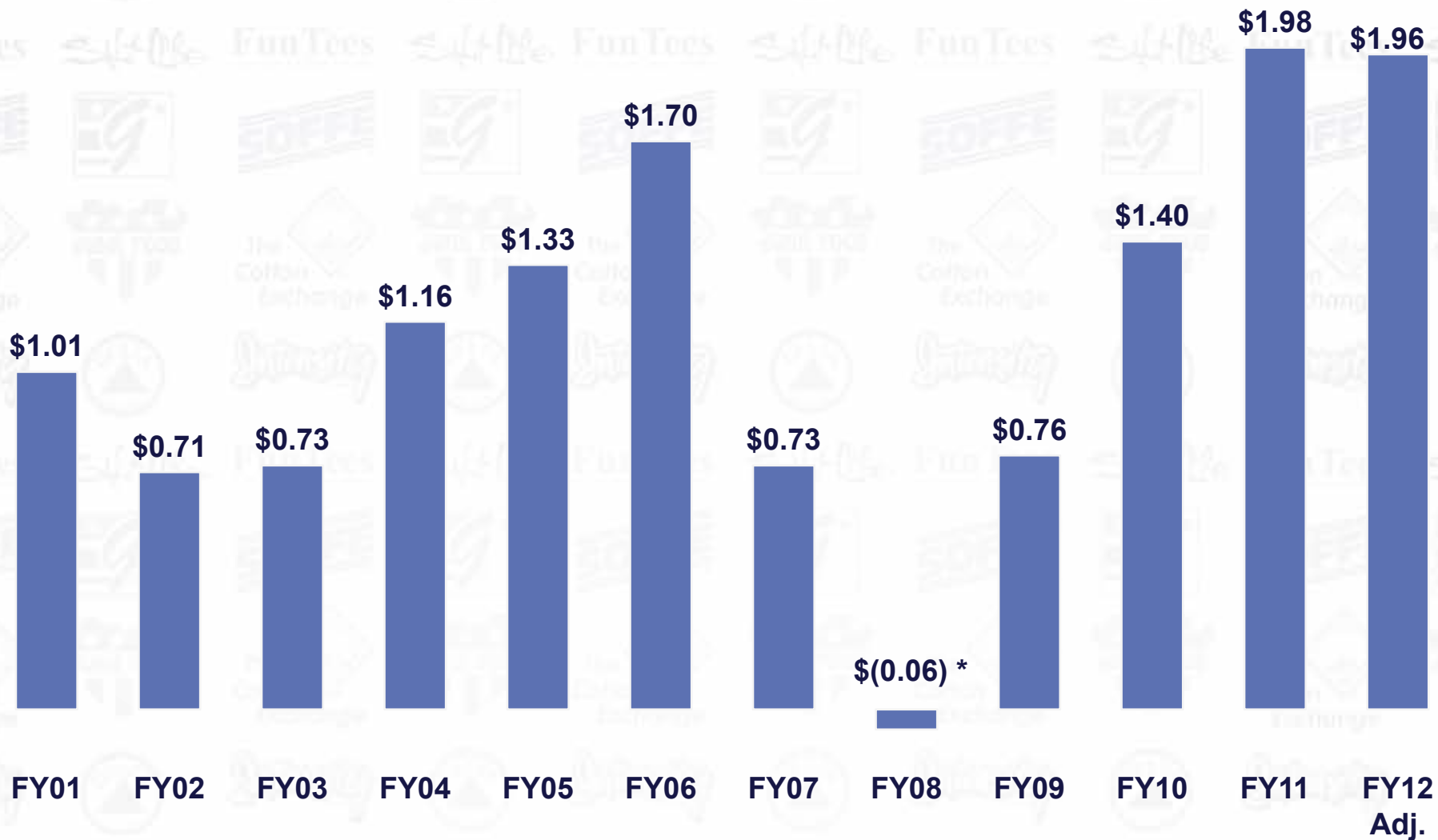
Q2	Cotton Costs	\$1.46
Q3/Q4	De-Stocking	\$0.15
Q3/Q4	Pricing Pressures	\$0.33
Q3/Q4	Balance Supply Chain	\$0.19
Q3/Q4	Non-Recurring Costs	\$0.12

<b>Total Adjustments</b>	<b>\$2.25</b>
--------------------------	---------------

<b>FY12 Adj. Earnings</b>	<b>\$1.96</b>
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# Diluted EPS



\* Impacted by restructuring activities

2012



2012

Fiscal 2013 and Beyond

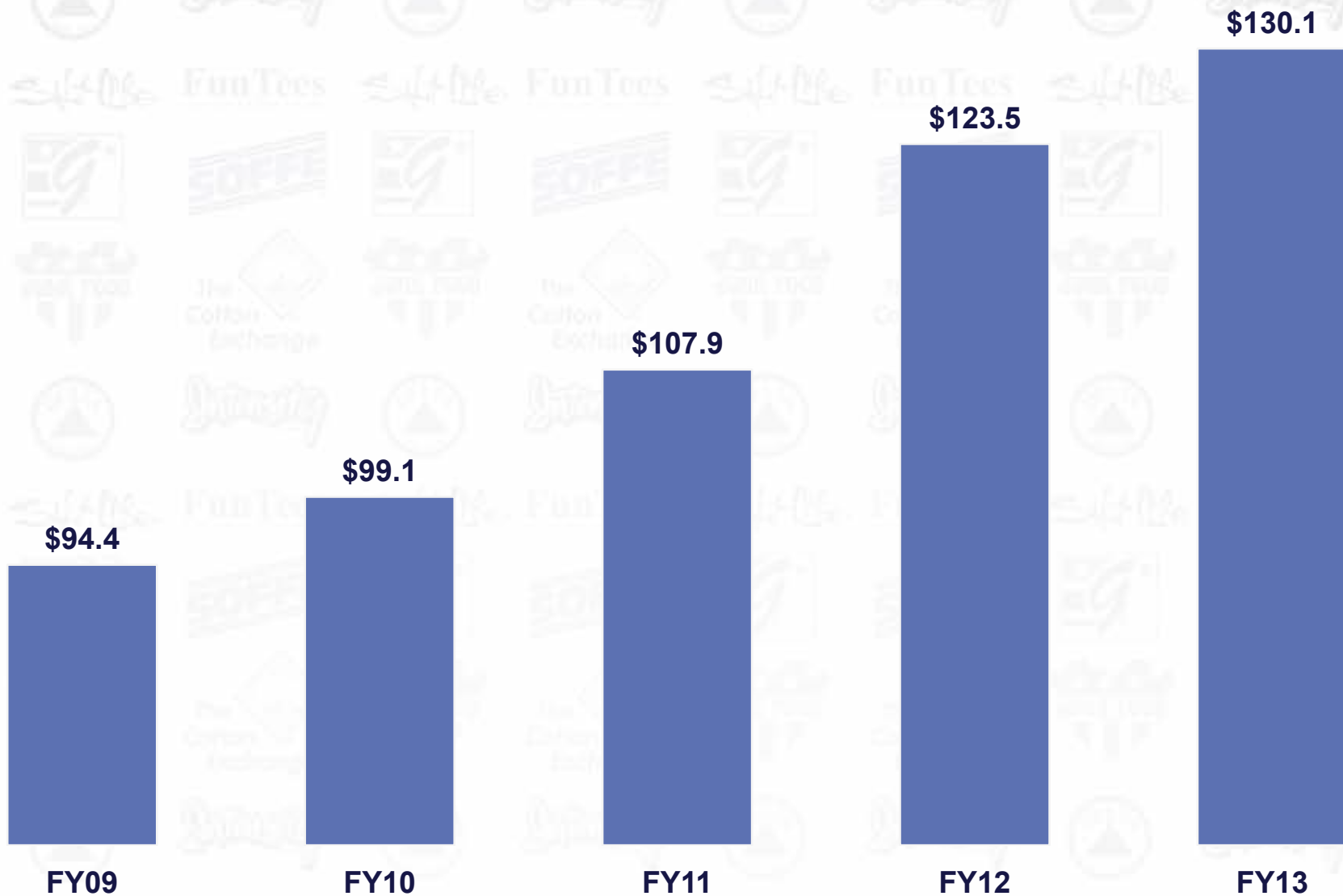
# FY13 DLA Business Focus



- ▲ Revenue Growth in All Business Units
- ▲ Achieve Operating Profits in All Business Units
- ▲ Leverage Creative, Product Development and Retail Relationships
- ▲ Invest in Current Brands to Promote Future Growth
- ▲ Expand Assets for Future Growth
- ▲ Leverage Back Office Operations
- ▲ Expand Management Development Activities



# Sales Growth – Qtr 1

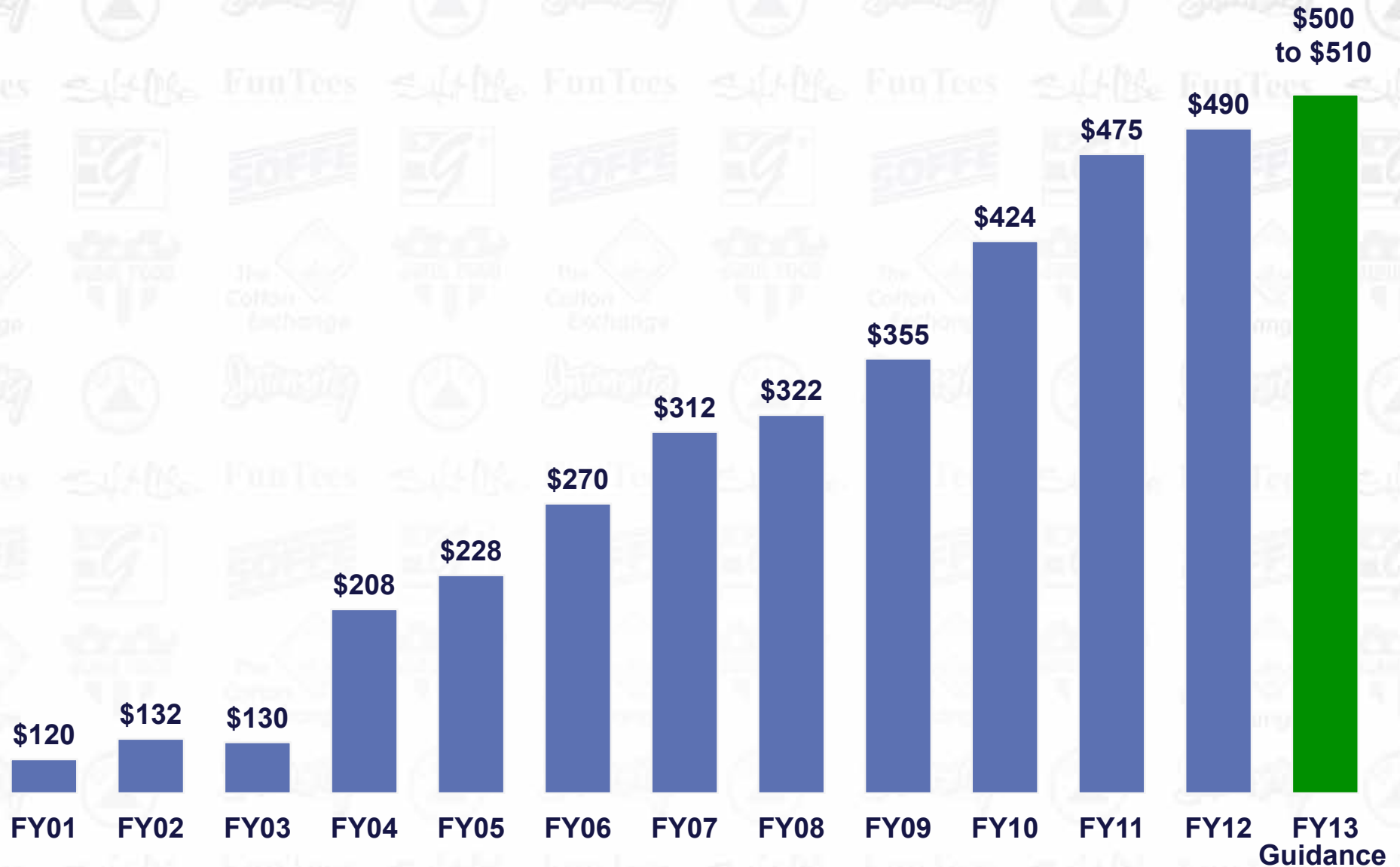


In millions

# EPS Growth – Qtr 1

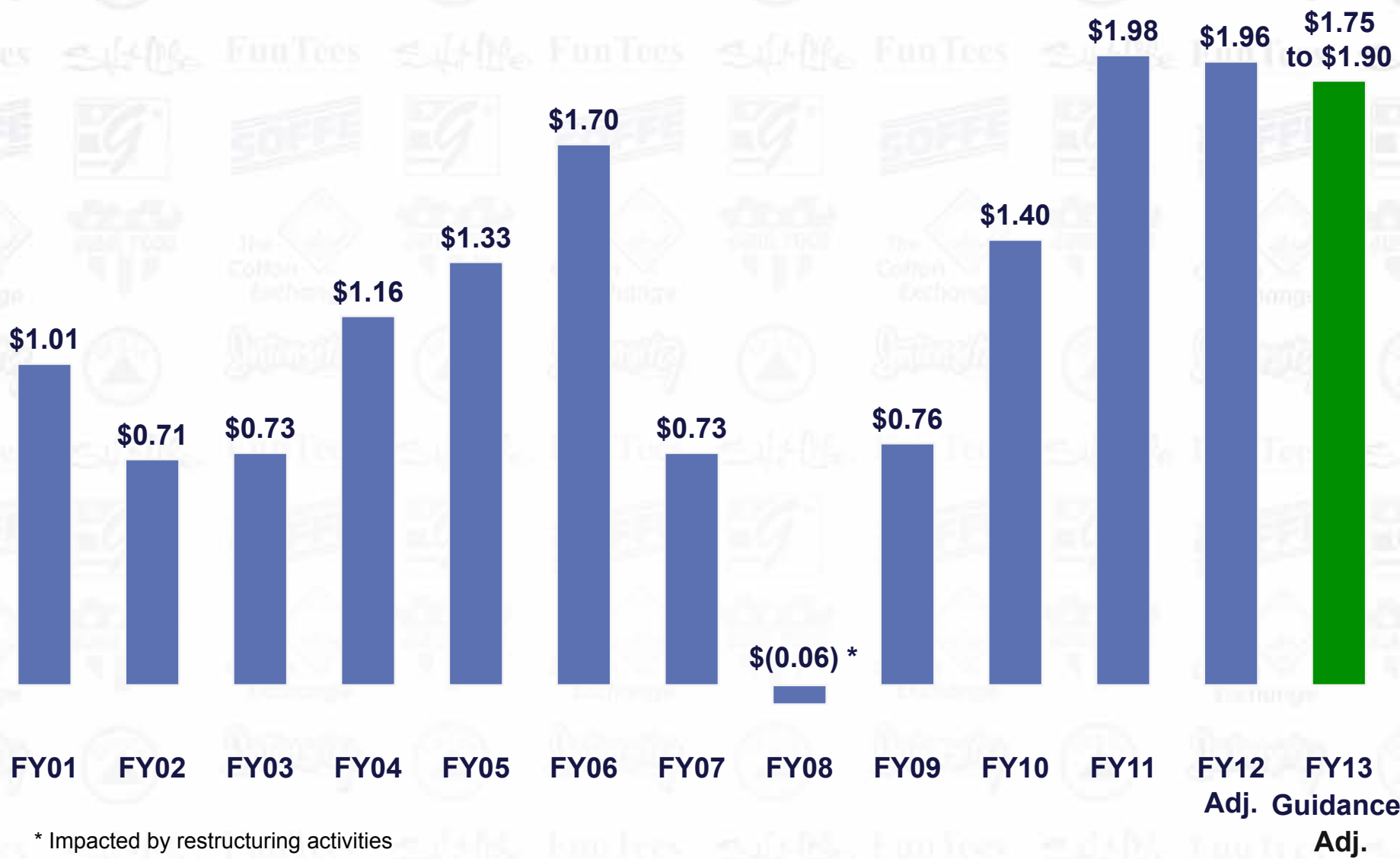


# Sales Growth



In millions

# Diluted EPS





# Delta Catalog



# Performance Fabric



**DELTA-DRI**

**DELTA-DRI**

**FABRIC PROPERTIES**

- Combed Ring Spun
- 65 Poly/35 Cotton
- Moisture Wicking Performance
- Anti-Odor Properties



[Options & Ordering](#)

### St. George Men's Custom Tee

100% preshrunk cotton, Adult Magnum Weight 6.1 oz

#### SIZING INFO:

##### Length:

S - 27.5" | M - 28.75" | L - 30.5" | XL - 32" | 2X - 32"

##### Width (across chest 1" below armhole):

S - 18.5" | M - 20.75" | L - 22.5" | XL - 23.5" | 2X - 26.5"

\*\*For best results - position your image to the top of the print area\*\*

#### How To Design Your Tee

#### [Watch The Video Demo](#)

Once you've selected the type of tee, click on the icons above the t-shirt graphic to the left to start designing.

**1**

Click the bags button to switch to another type of apparel.

**2**

Click the images button to choose a design.

**3**

Click the T button to personalize the design with text.

- Need help? Check out our [FAQs](#) or our fancy [video demo](#).
- All custom tees are processed within 3-5 business days and ship separately from other in-stock items.
- Light colors do not print well on light-colored tees, nor do dark colors print well on dark tees.





# Art Gun



## VIP – VIRTUAL INVENTORY PROGRAM

### EXPAND YOUR MERCHANDISE OFFERING BY 100'S...OR 1000'S – VIRTUALLY!

IT'S VIRTUAL UNTIL IT'S ORDERED, THEN ARTGUN PRINTS IT ON-DEMAND AND SHIPS IT TO YOUR CUSTOMERS.

#### ADD

- More designs
- More garment styles
- More garment colors



### DESIGN TOOL

**"Create your own"**

ArtGun provides a complete retail solution – from Desktop to Doorstep.

It is a Virtual Design Studio that can be plugged into your website. Branded and customized to your business. Your guests create personalized, one-of-a-kind apparel for promotions, events, sports teams, special occasions... and just for fun!

### AN INCREMENTAL NO RISK REVENUE STREAM..FC

**ADD VALUE, INNOVATION, AND SPEED TO MARKET**

#### REACT TO CURRENT TRENDS/EVENTS:

New designs today can be marketed and fulfilled tomorrow...Literally!

#### REPLENISH STOCK – a strong competitive advantage:

Provide small quantities with high frequency for retailers with limited inventory space.





# Salt Life Retail Store



## OCEAN LIVING





# The Game



## PERFORMANCE FABRIC



56

**SLX UNVAPOR™**  
PERFORMANCE FABRIC

- † UV 30 SUN PROTECTION
- † QUICK REACTION FABRIC
- † MEGA SOFT ULTRA LIGHT
- † MOISTURE WICKING
- † QUICK DRY

**Salt Life**



68

# The Game



## NASCAR Performance Tees at Wal-Mart



# Intensity





# XT46

**EXTREME TRAINING SINCE 1946**

**11.12**



**TO ELEVATE ALL WHO TRAIN  
TO ELITE PERFORMANCE  
THROUGH THE NEVERENDING  
PURSUIT OF FUNCTIONAL DESIGN**

**DEEPLY ROOTED IN OUR MILITARY EXPERTISE,  
THIS LINE IS MEANT TO TAKE YOU FROM AVERAGE TO ELITE.**

**FABRICATIONS ARE ANCHORED IN MOVEMENT AND FUNCTION.  
INNOVATION IS KEY. HARD CORE IS ESSENTIAL.**

# XT46

# CONSUMER



**MALE**  
**18-24 PRIMARY**  
**25-34 SECONDARY**

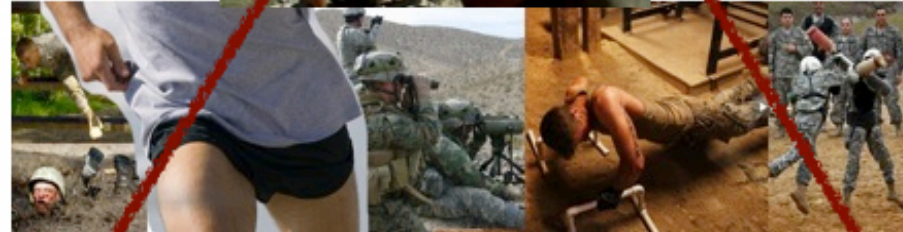
# XT46

## BRAND HIERARCHY

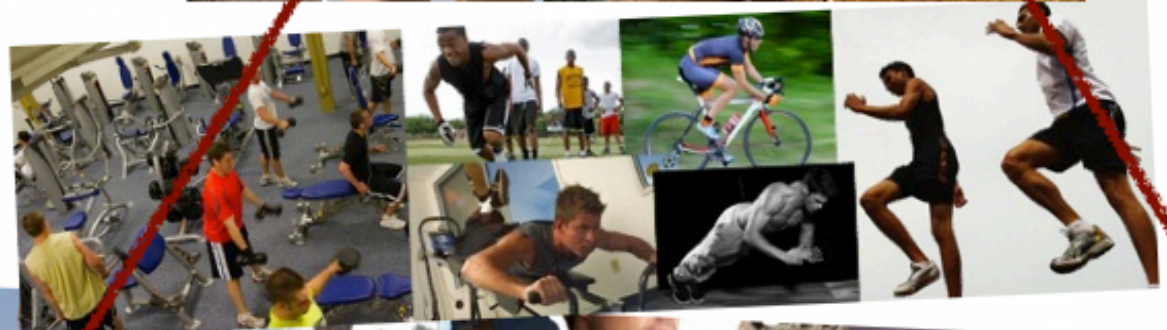
**Aspirational Benefits = American Hero**



**Emotional Benefits = Military Heritage**



**Functional Benefits = Athletic**



**Attributes = Apparel**



# XT46

EXTREME TRAINING SINCE 1946

FY 2012 Annual Shareholder's Meeting



**WHAT THE HECK IS  
FUNCTIONAL FITNESS?  
AND WHO IS IT?**

**XT46**

EXTREME TRAINING SINCE 1946

2C OLYMPIC SPORTS

WEDNESDAY, APRIL 25, 2012 USA TODAY

## SEALS training leaves imprint

Continued from 1C

"To be honest, after I did it, I wanted to throw up and go and cry in bed," says SEAL and Olympic gold medalist Garrett Mott. "I was sick through the training with Michael Phelps and other swimmers in 2000. I thought about it for about a year. And I thought maybe after I was done swimming, I would want to do that. I guess what I took away from that was the human body can do almost anything."

### COVER STORY

years that we believe. And that's a tremendous priority for us."

The danger is so convincing that the SEALs advise them at certain points to focus only on their own story and to ignore the disadvantages of the elements, the waves, the currents, the mud and the sharks plugging their masks and to concentrate on putting one foot in front of the other.

"You can't help what they're going to think about it. But that's not the point," says Wendy Bortick, a sport psychologist with the U.S. Olympic Committee, who adds that the training is especially beneficial to athletes who compete in individual sports.

"They're learning what they're doing is bigger than themselves," Bortick says. "It's different than when they're training for the Olympics, which is all centered on them. The growth, I think, is emotional."

The women's field hockey players credit their SEALs experience as the fall for helping push them to a national victory in Inglewood, Argentina, weeks later in the Pan Am Cup.

"I just remember that as a female athlete looking at the men, and it was clear we were getting tired, but I know there was no way they were going to quit," says Jennifer Rasmussen, a member of the U.S. women's field hockey team who competed in London. "I think we learned that with the SEALs."

### Head games

The SEALs' training with the U.S. Olympic team begins with a 200-pound log during their training session with U.S. Navy SEALs. The SEALs find some without wet hair. Those athletes are signed out and made to leave the others, who then have to do more pushups.



Working hard: SEALs training team members expect to be on the water for most of the day.



## TRAINING



U.S. Navy SEALs push U.S. Olympians to their limits during training session. The SEALs find some without wet hair. Those athletes are signed out and made to leave the others, who then have to do more pushups.

U.S. Navy SEALs push U.S. Olympians to their limits during training session. The SEALs find some without wet hair. Those athletes are signed out and made to leave the others, who then have to do more pushups.

COORADO SPRINGS The session starts generally enough, with a video presentation, some talk about becoming a Navy SEAL and a quick overview of the separating ones from the "real work" part of SEALs training.

### COVER STORY

ing team members. "We're going to start your baseline today."

After hours, some athletes are on the edge of hypothermia, some cycling others are chewing like, soldiers, and all are fully tired in misery.

The end of their four-hour afternoon "Bled with pushups, drenchings in a freezing, waiting for orders in a broadcast, sitting in dirt and count."



How he: Michael Phelps, left, a 16-time Olympic medalist, and fellow U.S. swimmer Nick Thum participate in a SEALs training exercise.

200-plus-pound legs, the sailors just a totally different type of physical and mental exhaustion."

"Have you?" "I did with pushups, drenchings in a freezing, waiting for orders in a broadcast, sitting in dirt and count."

# Obstacle Course Races – A Good Way to Prepare for Military Training

© JUNE 27, 2012 ARMY FITNESS 0 COMMENTS



the Marines when I graduate. Any ad

The fact you are on two sports teams military, law enforcement, fire fighting in life as well. So keep your workouts enjoy your last year of high school sp

examiner.com

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Home & Life Family & Education Careers Health & Fitness Household Pets Vid

## Looking for a strong lean body? Start training functionally

FUNCTIONAL FITNESS | SEPTEMBER 1, 2012 | BY: STEVEN GALINDO | + Subscribe



## Krzyzewski taking Duke team to Fort Bragg for practice, training session with Army soldiers

Text Size Print E-mail Reprints

By Associated Press, Published: October 4

DURHAM, N.C. — Mike Krzyzewski and his Duke basketball team will practice at Fort Bragg.

School officials said Thursday that the Blue Devils will train and practice there on Oct. 15. The team will spend the previous night in barracks and will take part in morning formations and physical training along with roughly 20 soldiers.



OUTDOOR

## Meeting IN THE MUD

Want to attract a ton of athletes to an outdoor event? Learn two simple steps:

### 1. FIND DIRT 2. ADD WATER

By Jeff Banowitz. At least that seems to be the lesson learned from the explosion of mud runs over the last two years. Events like the Warrior Dash, Dove Buddy – to name a few – are attracting their ooping obstacle to and fun. But the success of two once separate outdoor brands like Mud Run and Spartan Race have become involved heavily in the same audience from trail running and missing is a fresh group of elite mostly female, who are numbers. They lack as if events as an entry point. This means that trading retailers are all hoping manufacturers, the most three aforementioned o



Events such as Spartan Race, Warrior Dash, Hell Run and the Dirty series are growing fast.

## MEN'S JOURNAL

GEAR | TRAVEL | HEALTH & FITNESS | FOOD & DRINK | ADVENTURE | STYLE | SUBSCRIBE

SPORTS ESCAPES

MEN'S JOURNAL ORIGINAL FOOD SERIES WITH BRAD KUSH


### Journey of Discovery

From Brooklyn to Birmingham. Watch now >


### MJ APPROVED: ADVENTURE

## America's 15 Best Foot Races: Spartan Race

Tweet | Like | +1 | Submit | Email | Print



### Tough Mudder



### Spartan Race (Killington, VT)

**Close to ONE MILLION people participated in a mud/obstacle run in 2011. According to Running USA.**



# XT46

**SPARTAN RACE**

**f 1,977,237 Likes**



# XT46

EXTREME TRAINING SINCE 1946



# XT46

FALL 2013 COLORS

**FULL -  
SPECTRUM  
STRONG  
FUNCTIONAL FITNESS**



## BASIC COLORS



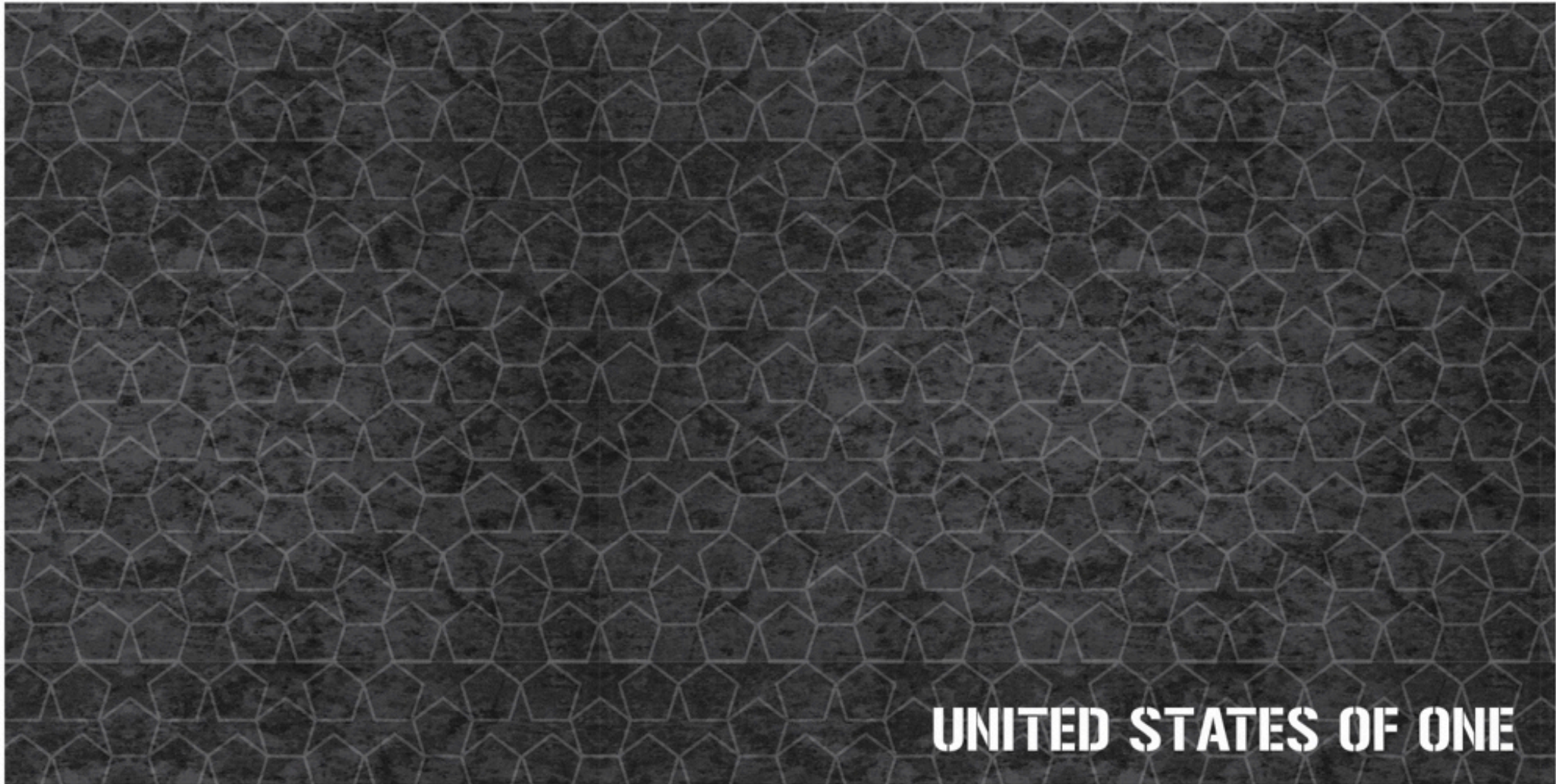
Black White Ath Oxford Gunmetal Navy Royal OD Green Maroon Red Orange Gold

## SEASONAL COLORS



Steel Blue Ft. Benning Clay Deoxy Green





**UNITED STATES OF ONE**

## CORE PRINTS



**Digital  
Army**



**Digital  
Air Force**

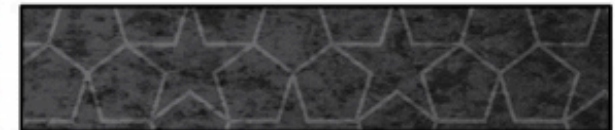


**Digital  
Marines**

## SSG/IND SG PRINTS



**MULTI CAM**



**US1**

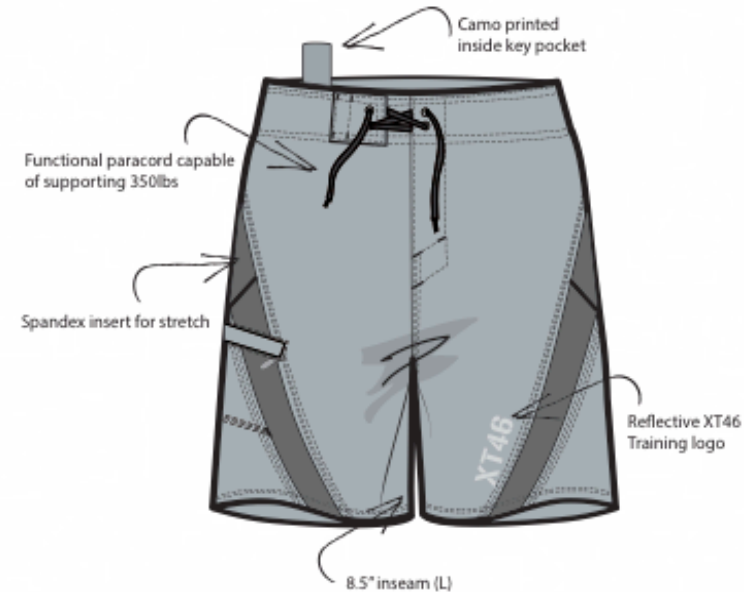
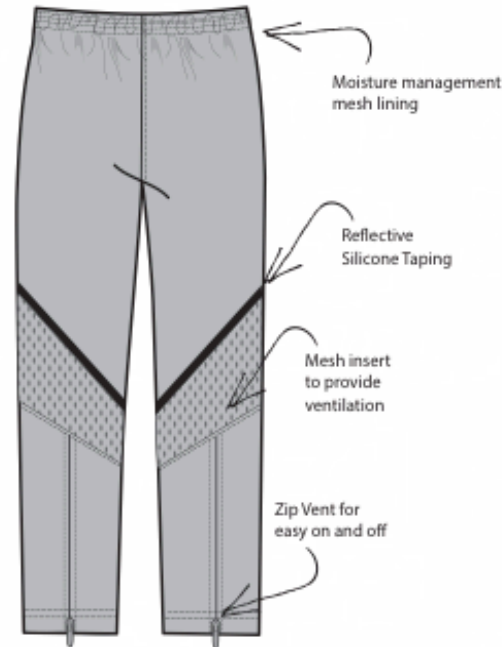
# XT46

# FALL 2013 STORY



**“This is one of the strongest training lines I have seen in a long time.”**

**Jessica King, Men’s Fashion Editor  
Maxim Magazine**



**6 WAY STRETCH**  
**For mobility, providing stretch when needed.**





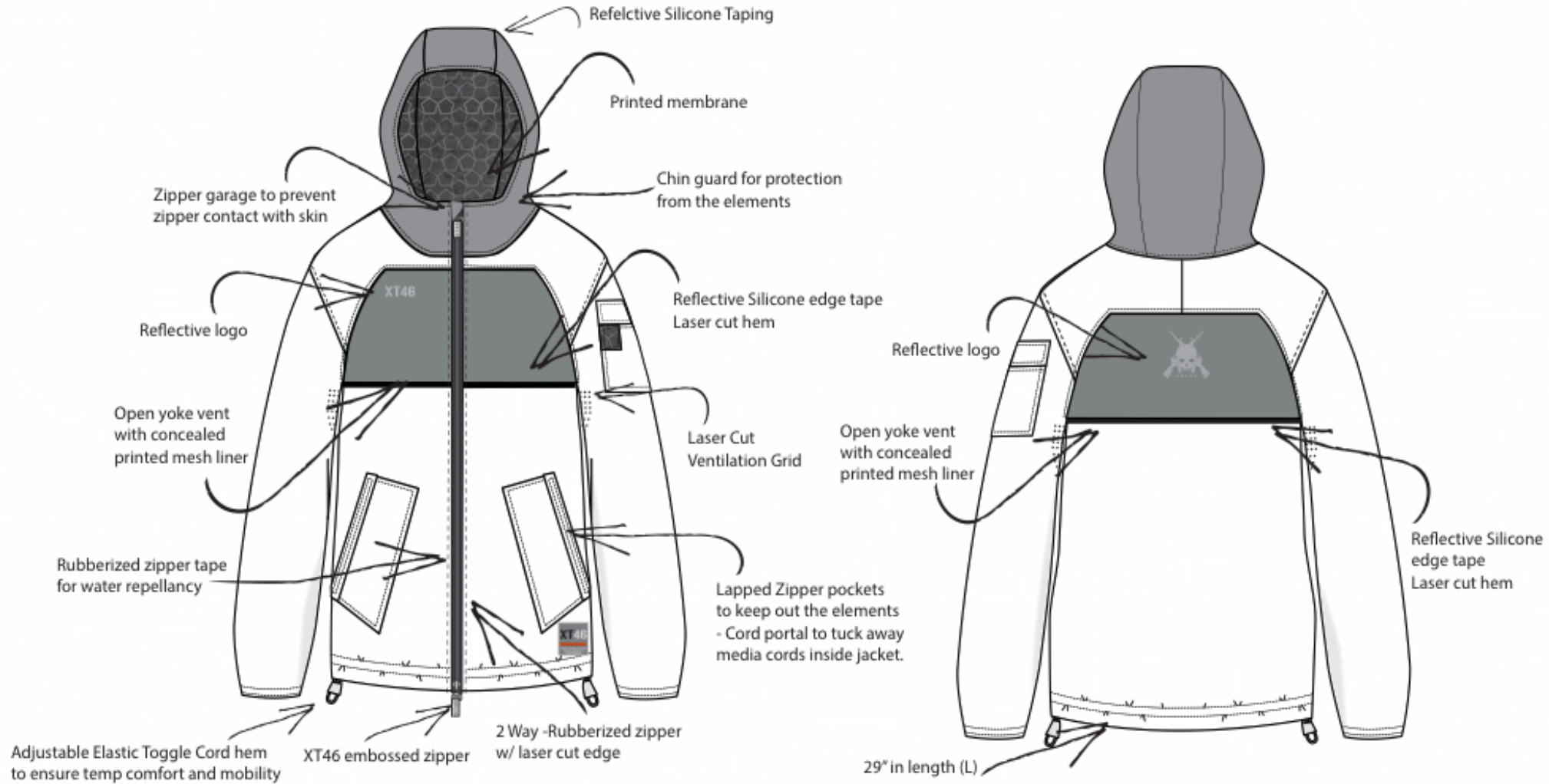


Reflective logo

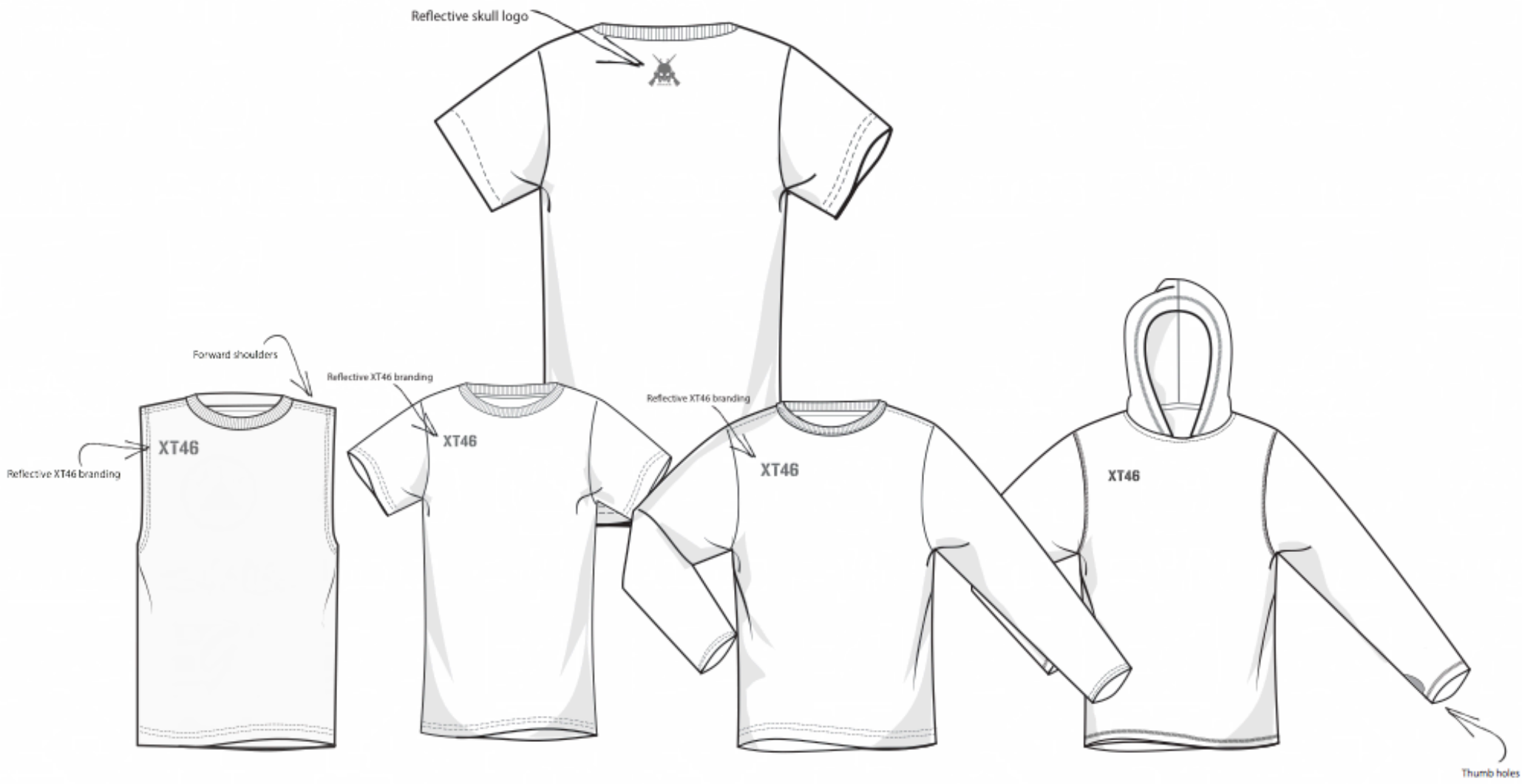


**XT Breaker**  
**Wind and Water Resistant**  
**Breathable 100% poly polar fleece**  
**Front panel lined with dyed to match**  
**100% cotton jersey**  
**100% poly mini mesh pockets**

**XT Bonded Polar Fleece**  
**Wind and Water Resistant**  
**100% cotton jersey bonded**  
**to 100% poly polar fleece**



**XT Utility Jacket**  
**Water Repellent • Wind Resistant**  
**Breathable with strategically placed ventilation**  
**100% polyester ripstop with bonded printed membrane**



## **WARRIOR TEE COLLECTION**

**65/35 poly cotton jersey blend**  
**Wicking treatment to provide excellent moisture management**

# XT46

## THE HERO TEE PROGRAM



# PERFORMANCE COTTON

- Forged cotton
- Made with alternating yarns of hydrophobic and hydrophilic cotton making it moisture absorbent with dueling molecules that reject water
- Sweats wicks away quickly
- **U.S. MADE**

# XT46

EXTREME TRAINING SINCE 1946



ANNUAL

MEETING

/12







## FY13 PRIORITIES

- ▲ Junk Food Brand
- ▲ Lifestyle Specialty Business
- ▲ Sports
  
- ▲ Superior execution and account management leading to increased profitability



# JUNK FOOD x VANS



SPRTE SHIR, MATEL, LOOKBOOE, BDOO, VIDEO, SPKES, CLOTHES, ACCESSORIES, STORE EDUCATOR, SHOP



Junk Food launches an exclusive collaboration with Vans womens with front/focal placement in all Vans stores in the US and Canada. The collection launched for Back-to-School 2012 and continues through holiday. The collaboration features tee and fleece styles inspired by vintage California surf and sake culture. The photo campaign, shot entirely in-house by Junk Food Creative, launched as a media exclusive in Seventeen Magazine and was also featured in Teen Vogue, Women's Wear Daily, and numerous other media outlets.





# NFL BREAST CANCER AWARENESS

**Pop-Up Pink!**  
Make a difference when you shop for a cause

**GET TRIPLE POINTS!**  
Earn 3x points on all purchases through 10/31/12



**People** STYLE WATCH  
Charity

**Beauty Bargains**  
125 Cute Outfit Ideas & Easy Styling Tricks

**DONATING**  
100% of purchases to the Breast Cancer Research Foundation

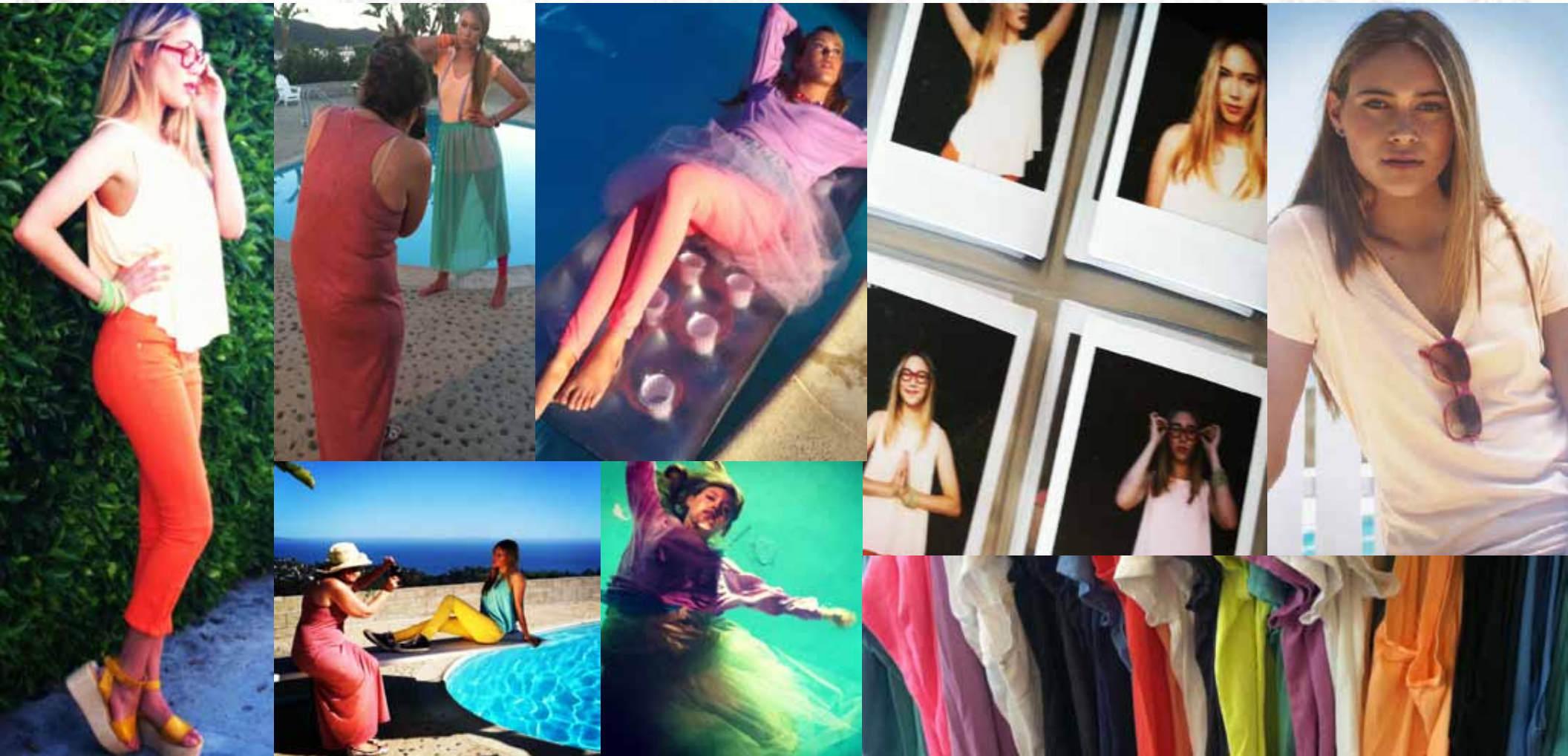


Junk Food partners with the NFL to support Breast Cancer in a big way exclusively at Bloomingdales. The program featured a JF x NFL Pink Ribbon t-shirt housed in Bloomingdale's Pink Boutique, windows displays in NYC, a celebrity launch event hosted by Steve Weatherford of the NY Giants, and full page placement in the store's Pink Catalog. The marketing plan included celebrity seeding and full page coverage in leading magazine publications. The program not only sold out within the first week, but also marked Junk Food's return to the women's floorpad at Bloomingdales.





# STRAY HEART



Junk Food launches its first ever non-graphic knitwear collection at the tradeshow in Vegas. The marketing campaign, shot by Madonna's signature stylist Maripol, takes cues from Junk Food's signature soft fabrics and bright colors. The collection launches in premium department stores for Spring 2013. The marketing plan includes the brands own microsite, full celebrity and stylist seeding, editorial pushes, and launch events.



# JUNK FOOD LOVES GAP KIDS CHINA/HK TAKEOVER



Junk Food launches for the first time in Gap Asia with full-store takeovers of their flagship and periphery stores. 4 story windows, interiors, changing rooms, fixtures, and cash wraps all branded and designed by Junk Food. Debuting during their highly trafficked Golden Week, the limited edition collection was inspired by the real superheros (Superman, Batman, and Spiderman) with a range of products for boys and toddler.





# JF STORE @ MELTDOWN COMICS



Junk Food launches first ever physical store at Meltdown Comics on Sunset Blvd in West Hollywood. The complete build-out houses a variety of JF comic book, game, and character tees with a fully branded statement. The store will also house revolving licensed themed collections – the first one being Hasbro Toy Box. In collaboration with Hasbro, Junk Food themed the space and assortment with all toy properties and created a “Game Night” launch event for the kick off. Nerf donated 50 Blasters and turned the night into a GI Joe Battle scene! Other party elements included a My Little Pony beauty bar, Operation photo booth, and a Candy Land cupcake station.







# JUNK FOOD DIGITAL STORES



## THREE STEPS.

- 1) SCAN 
- 2) SELECT 
- 3) SHIP



Junk Food launched retail stores in a revolutionary way in Westfield malls nationwide: On the wall. In partnership with eBay, Westfield mall goers can scan a lightbox and are taken to a frictionless mobile commerce experience to easily purchase tees, which are printed on-demand and shipped in only 48 hours. This game changing retail model, which is both scalable and supports Westfield's eco strategies, has generated over 3 billion impressions of press. The next chapter of this will introduce a "magic mirror" fitting room and placement on mall directories.

2012



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Questions