

March 31, 2017



Delta Apparel Completes Sale of Junkfood Clothing Company

GREENVILLE, S.C., March 31, 2017 (GLOBE NEWSWIRE) -- Delta Apparel, Inc. (NYSE MKT:DLA) announced today that it has completed the sale of its vintage-inspired, licensed-graphics tee business, Junkfood Clothing Company, to JMJD Ventures, LLC for approximately \$28 million, subject to a final tangible asset adjustment. The asset sale proceeds include \$25 million in cash at closing, with promissory note payments due between June 30, 2017, and March 30, 2018, for the remaining amount.

The transaction does not include the sale of accounts receivable and certain other assets, or the assumption of trade payables and certain other liabilities. The approximately \$35 million total value of the business sold exceeds its book value and represents approximately 80% of Junkfood's revenue. Net of selling expenses, Delta Apparel expects to realize a pre-tax gain of approximately \$1.0 million on the sale, which would be recorded in its 2017 fiscal second quarter.

Delta Apparel's Chairman and Chief Executive Officer, Robert W. Humphreys commented, "The Junk Food brand has broadened its consumer reach and awareness, and more than doubled its revenue since we acquired it in 2005. While we have enjoyed nurturing this brand over the years, the changing retail environment has made it more challenging to be a niche player in the licensed-graphics space. We are pleased to have the opportunity to sell Junk Food and further reduce our reliance on licensed properties. We expect to use the proceeds from the sale to lower our debt levels, continue our share repurchase program and provide capital for further investments in strategic growth opportunities, including the Salt Life brand and Art Gun."

About Delta Apparel, Inc.

Delta Apparel, Inc., along with its operating subsidiaries, M. J. Soffe, LLC, Salt Life, LLC and Art Gun, LLC, is an international design, marketing, manufacturing, and sourcing company that features a diverse portfolio of lifestyle basic and branded activewear apparel and headwear. The Company specializes in selling casual and athletic products across distribution tiers, including specialty stores, department stores, mid-tier and mass chains, and the U.S. military. The Company's products are made available direct-to-consumer on its websites at www.soffe.com, www.saltlife.com, www.coastapparel.com and www.deltaapparel.com. The Company's operations are located throughout the United States, Honduras, El Salvador, and Mexico, and it employs approximately 7,900 people worldwide. Additional information about the Company is available at www.deltaapparelinc.com.

Cautionary Note Regarding Forward Looking Statements

Statements and other information in this press release that are not reported financial results or other historical information are forward-looking statements subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995. These 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 or actions to differ materially from those set forth in or implied by the forward-looking statements. The risks and uncertainties include, among others, those described from time to time in our reports filed with the Securities and Exchange Commission. Accordingly, any forward-looking statements do not purport to be predictions of future events or circumstances and may not be realized. Further, any forward-looking statements are made only as of the date of this press release and we do not undertake publicly to update or revise the forward-looking statements even if it becomes clear that any such statements or any projected results will not be realized or that any contemplated strategic initiatives will not be implemented.

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Source: Delta Apparel, Inc.