SUPPLEMENTAL FINANCIAL INFORMATION REGARDING CHANGE IN YEAR END

INTRODUCTION

As disclosed in the Company's fiscal 2014 fourth quarter earnings press release dated December 4, 2014 and in the Notice of Change of Financial Year-End filed on SEDAR and EDGAR, pursuant to Section 4.8 of National Instrument 51-102 – Continuous Disclosure Obligations ("NI 51-102"), the Company will be transitioning to a new fiscal year-end from the first Sunday following September 28 to the Sunday closest to December 31, effective October 6, 2014. As a result, fiscal 2015 will be a transition year that will include 15 months of operations, starting on October 6, 2014 and ending on January 3, 2016. The Company's subsequent 12-month financial year will begin on January 4, 2016 and end on January 1, 2017.

In order to facilitate the comparability of our consolidated financial statements on a calendar year basis, we have made available on our website the following unaudited Supplemental Financial Information, comprised of historical consolidated statements of earnings and cash flows recast to align with the new fiscal year. Readers are cautioned, however, that it may not be appropriate to use such information for any other purpose.

- Recast consolidated statements of earnings and comprehensive income for 2011 to 2015 on a calendar-year basis, as well as a reconciliation to adjusted net earnings and adjusted diluted earnings per share, including the interim reporting periods within each year
- Recast consolidated statements of cash flows and a reconciliation to free cash flow for 2011 to 2015 on a calendar-year basis, including the interim reporting periods within each year
- Recast adjusted EBITDA for 2011 to 2015 on a calendar-year basis, including the interim reporting periods within each year

On February 4, 2015, the Board of Directors of the Company approved a share dividend of one common share for each issued and outstanding common share of the Company, which has the same effect as a two-for-one stock split of the Company's outstanding common shares. All earnings per share and share data presented in this Supplemental Financial Information are on a post-split basis, reflecting the effect of the two-for-one stock split of the Company's outstanding common shares by way of a share dividend that took effect on March 27, 2015.

The Supplemental Financial Information made available on our website should be read in conjunction with the Company's consolidated financial statements and the notes thereto for the fiscal years ended October 2, 2011, September 30, 2012, September 29, 2013, October 5, 2014, and January 3, 2016, which have been filed by Gildan with the Canadian securities regulatory authorities and with the U.S. Securities and Exchange Commission.

DEFINITION OF NON-GAAP FINANCIAL MEASURES

We use non-GAAP financial measures (non-GAAP measures) to assess our operating performance and financial condition. The terms and definitions of the non-GAAP measures used in this Supplemental Financial Information and a reconciliation of each non-GAAP measure to the most directly comparable GAAP measure are provided in the Supplemental Financial Information. The non-GAAP measures are presented on a consistent basis for all periods presented in this Supplemental Financial Information. In 2013, we amended our definition of adjusted net earnings and adjusted diluted EPS as described below, although this change did not affect these measures for prior years. 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 diluted EPS

Adjusted net earnings is calculated as net earnings before restructuring and acquisition-related costs, net of related income tax recoveries. In 2013, adjusted net earnings also excluded the recognition of a deferred hedging loss on interest rate swaps that were unwound in the third calendar quarter of 2013. Adjusted diluted EPS is calculated as adjusted net earnings divided by the diluted weighted average number of common shares outstanding. Management uses adjusted net earnings and adjusted diluted EPS to measure our performance from one period to the next, without the variations caused by the impacts of the items described above. We exclude these items because they affect the comparability of our financial results and could potentially distort the analysis of trends in our business performance. Excluding these items does not imply they are necessarily non-recurring.

Adjusted EBITDA

Adjusted EBITDA is calculated as earnings before financial expenses, income taxes and depreciation and amortization and excludes the impact of restructuring and acquisition-related costs. We use adjusted EBITDA, among other measures, to assess the operating performance of our business. We 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. We exclude 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.

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. We consider free cash flow to be an important indicator of the financial strength and performance of our business, because it shows how much cash is available after capital expenditures to repay debt and to reinvest in our business, to pursue business acquisitions, and/or to redistribute to our shareholders. We believe this measure is commonly used by investors and analysts when valuing a business and its underlying assets.