UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 OR 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): August 2, 2016

Hanesbrands Inc.
(Exact name of registrant as specified in its charter)

Maryland	001-32891	20-3552316
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1000 East Hanes Mill Road Winston-Salem, NC	27105
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (336) 519-8080

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition

On August 2, 2016, Hanesbrands Inc. (the “Company”) issued a press release announcing its financial results for the second quarter ended July 2, 2016. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K. Exhibit 99.1 is being “furnished” and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”), nor shall Exhibit 99.1 be deemed incorporated by reference in any filing under the Securities Act of 1933 (the “Securities Act”) or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Exhibit 99.1 contains disclosures about adjusted EPS, adjusted net income, adjusted operating profit (and margin), adjusted SG&A, adjusted gross profit (and margin) and EBITDA, which are are not generally accepted accounting principle (“GAAP”) measures. Adjusted EPS is defined as diluted EPS excluding actions and the tax effect on actions. Adjusted net income is defined as net income excluding actions and the tax effect on actions. Adjusted operating profit is defined as operating profit excluding actions. Adjusted gross profit is defined as gross profit excluding actions. Adjusted SG&A is defined as selling, general and administrative expenses excluding actions. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. The Company has chosen to provide these non-GAAP measures to investors to enable additional analyses of past, present and future operating performance and as a supplemental means of evaluating company operations absent the effect of acquisition-related charges and other actions. Non-GAAP measures should not be considered a substitute for financial information presented in accordance with GAAP and may be different from non-GAAP or other pro forma measures used by other companies.

Item 7.01. Regulation FD Disclosure

The Company has made available on the investors section of its corporate website, *www.Hanes.com/investors*, certain supplemental materials regarding the Company's financial results and business operations (the “Supplemental Information”). The Supplemental Information is furnished herewith as Exhibit 99.2 and is incorporated by reference. All information in the Supplemental Information is presented as of the particular date or dates referenced therein, and the Company does not undertake any obligation to, and disclaims any duty to, update any of the information provided.

Exhibits 99.1 and 99.2 to this Current Report on Form 8-K include forward-looking financial information that is expected to be discussed on our previously announced conference call with investors and analysts to be held at 4:30 p.m., Eastern Daylight time on August 2, 2016. The call may be accessed at *www.Hanes.com/investors*. Replays of the call will be available at *www.Hanes.com/investors* and via telephone. The telephone playback will be available from approximately 7:30 p.m., Eastern Daylight time, on August 2, 2016, until midnight, Eastern Daylight time, on August 9, 2016. The replay will be available by calling toll-free (855) 859-2056, or by toll call at (404) 537-3406. The replay pass code is 54451096. Exhibits 99.1 and 99.2 are being “furnished” and shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, nor shall they be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit 99.1	Press release dated August 2, 2016
Exhibit 99.2	Supplemental Information

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

August 2, 2016	HANESBRANDS INC.	
	By:	/s/ Richard D. Moss
		Richard D. Moss
		Chief Financial Officer

Exhibits

99.1	Press release dated August 2, 2016
99.2	Supplemental Information

HanesBrands
1000 East Hanes Mill Road
Winston-Salem, NC 27105
(336) 519-8080

HANES Brands Inc
news release

FOR IMMEDIATE RELEASE

News Media, contact:	Matt Hall, (336) 519-3386
Analysts and Investors, contact:	T.C. Robillard, (336) 519-2115

HANESBRANDS REPORTS SECOND-QUARTER FINANCIAL RESULTS

Company Reaffirms Full-Year 2016 Financial Guidance for Net Sales, Net Cash from Operations, and another Year of Double-Digit EPS Growth

WINSTON-SALEM, N.C. (Aug. 2, 2016) - HanesBrands (NYSE: HBI), a leading global marketer of everyday basic apparel under world-class brands, today announced second-quarter financial results and reaffirmed its full-year 2016 financial guidance for net sales, net cash from operations, and other key performance metrics.

Consistent with the company's expectations, net sales decreased 3 percent to $1.47 billion for the quarter ended July 2, 2016, as a result of comparisons with strong performance in the year-ago quarter that included expanded shelf space for product launches.

On a GAAP basis, operating profit of $221 million increased 59 percent and earnings per diluted share of $0.34 increased 48 percent. When excluding pretax charges related to acquisitions, integrations and other actions, and debt refinancing, adjusted operating profit of $246 million decreased 7 percent, and adjusted EPS of $0.51 increased 2 percent.

(All adjusted consolidated measures and comparisons in this news release exclude approximately $72 million of pretax charges in the second quarter of 2016 and $126 million of pretax charges in the second quarter of 2015 related to acquisitions and other actions. See Note on Adjusted Measures and Reconciliation to GAAP Measures below for additional details.)

The second-quarter and year-to-date results are in line with the company's plans and consistent with the underlying assumptions for the company's full-year 2016 guidance. The company has updated 2016 GAAP guidance for operating profit and EPS and has reaffirmed 2016 guidance for net sales, adjusted operating profit, adjusted EPS, and net cash from operations. The company's 2016 guidance calls for net sales of $6.15 billion to $6.25 billion, GAAP operating profit of $760 million to $795 million, adjusted operating profit of $940 million to $975 million, GAAP EPS of $1.44 to $1.54, adjusted EPS of $1.89 to $1.95, and net cash from operations of $750 million to $850 million.

"We are confident in our plans for the year, with our sales, operating profit and EPS performance all tracking right in line with our expectations and consistent with our full-year guidance," said Hanes Chief Operating Officer and CEO-Elect Gerald W. Evans Jr. "The second quarter, while having a tough comparison as expected to a strong year-ago quarter, came in on plan overall. Our growth initiatives for the second half are unfolding as planned and are tracking to our full-year guidance of 8 percent growth in net sales at the midpoint and double-digit growth in EPS."

Key Callouts for First-Half and Second-Quarter 2016 Financial Results

Acquisition Contributions. Hanes continues to derive benefits and synergies from the Maidenform, Knights Apparel, Hanes Europe Innerwear, and Champion Japan acquisitions and integrations. Additionally, the company completed its acquisition of Champion Europe on June 30, 2016, during the second quarter, and completed its acquisition of Pacific Brands Limited of Australia on July 14, 2016.

Operating Cash Growth and Cash Deployment Benefits. Hanes generated a second-quarter record for net cash from operations, in part due to benefits from successful inventory-related actions. EPS is benefitting from the company's cash deployment strategy, including repurchases of more than 25 million shares made in 2015 and early in 2016.

2016 Financial Guidance

Based on year-to-date results and expectations for the second half, Hanes has reaffirmed its full-year guidance for net sales and net cash from operations, updated its GAAP guidance for operating profit and EPS, and reaffirmed its guidance for non-GAAP adjusted operating profit and EPS. The company also has decided to provide guidance for the cadence of net sales and earnings in the second half of 2016 because of the timing of the recent acquisitions of Champion Europe and Pacific Brands and their associated seasonality.

Hanes expects net sales of approximately $6.15 billion to $6.25 billion, growth of 8 percent over 2015 at the midpoint. The company continues to expect record net cash from operations of $750 million to $850 million for 2016.

On a GAAP basis, diluted EPS is expected to be in the range of $1.44 to $1.54, compared with the previous range of $1.51 to $1.57. GAAP operating profit is expected to be in the range of $760 million to $795 million, compared with previous guidance of $780 million to $815 million. At the midpoint of guidance, the company expects growth of 41 percent and 31 percent for EPS and operating profit, respectively.

On a non-GAAP basis, which excludes debt refinancing and acquisition-related actions, adjusted EPS guidance remains $1.89 to $1.95, and adjusted operating profit guidance remains $940 million to $975 million. The guidance represents growth of 16 percent and 11 percent, respectively, at the midpoint.

Guidance for adjusted operating profit and adjusted EPS excludes an estimated $180 million of pretax charges for debt refinancing and acquisition, integration and other actions related to Hanes Europe Innerwear, Knights Apparel, Champion Japan, Champion Europe and Pacific Brands. The pretax charge is $20 million higher than previous guidance.

The company expects capital expenditures of approximately $90 million, up $15 million from previous guidance due to the acquisitions of Champion Europe and Pacific Brands. Hanes continues to expect interest expense and other expenses to be approximately $150 million combined. Expectations for the 2016 full-year tax rate percentage remain in the high single-digits.

Full-year guidance also reflects the tax-rate effect of the new FASB Accounting Standards Update related to accounting for stock compensation and excludes non-core Pacific Brands businesses that are expected to be divested and reported on a discontinued-operations basis.

The company's guidance incorporates expectations for the acquisitions of Champion Europe and Pacific Brands. The timing and seasonality of these acquisitions will favor the fourth-quarter versus the third-quarter. Approximately 55 percent of the net sales contributions from these acquisitions for 2016 will occur in the fourth-quarter, and the entire EPS contribution occurs in the fourth quarter.

Therefore, the company expects total company net sales for the remainder of the year to be slightly greater in the third quarter than the fourth quarter. GAAP EPS is expected to be in the range of $0.43 to $0.45 for the third quarter and in the range of $0.47 to $0.55 for the fourth quarter. Adjusted EPS is expected to be in the range of $0.55 to $0.57 in the third quarter and in the range of $0.57 to $0.61 in the fourth quarter, when excluding pretax charges related to acquisitions, integrations and debt refinancing of approximately $50 million in the third quarter and approximately $33 million in the fourth quarter.

Hanes has updated its quarterly frequently-asked-questions document, which is available at www.Hanes.com/faq.

Change in Segment Reporting

As a result of a shift in management responsibilities, the company decided in the first quarter of 2016 to move its wholesale e-commerce business, which sells products directly to retailers, from the Direct to Consumer segment to the respective Innerwear and Activewear segments. In addition, revisions were made to the manner in which certain selling, general and administrative expenses are allocated. Prior-year segment sales and operating profit results have been revised to conform to the current year presentation.

Note on Adjusted Measures and Reconciliation to GAAP Measures

To supplement its financial guidance prepared in accordance with generally accepted accounting principles, Hanes provides quarterly results and guidance concerning certain non-GAAP financial measures, including adjusted operating profit and adjusted EPS. Adjusted EPS is defined as diluted EPS excluding actions. Adjusted operating profit is defined as operating profit excluding actions.

Hanes expects to incur approximately $180 million in pretax charges for 2016 related to debt refinancing and the acquisitions and integrations of Hanes Europe Innerwear, Knights Apparel, Champion Japan, Champion Europe and Pacific Brands. Non-GAAP adjusted operating profit guidance reflects GAAP guidance adjusted by adding back the approximately $180 million of expected pretax charges for debt refinancing and acquisition and integration expenses.

In the first and second quarters of 2016, Hanes incurred approximately $25 million and $72 million, respectively, in pretax charges related to financing and actions related to acquisitions and integrations (Hanes Europe Innerwear, Knights Apparel, and the company's Champion Japan licensee in the first quarter, and Hanes Europe Innerwear, Knights Apparel, Champion Japan, and Champion Europe and prefunding for Pacific Brands in the second quarter).

In the first and second quarters of 2015, the company incurred approximately $43 million and $126 million, respectively, in pretax charges related to acquisitions, primarily Hanes Europe Innerwear, and other actions. See Table 5 attached to this press release for more details on pretax charges for actions.

The company believes providing quarterly results and guidance for adjusted EPS and adjusted operating profit provides investors with an additional means of analyzing the company's performance absent the effect of acquisition-related expenses and other actions. However, non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as a substitute for financial results prepared in accordance with GAAP.

Webcast Conference Call

Hanes will host an internet webcast of its quarterly investor conference call at 4:30 p.m. EDT today. The broadcast, which will consist of prepared remarks followed by a question-and-answer session, may be accessed at www.Hanes.com/investors. The call is expected to conclude by 5:30 p.m.

An archived replay of the conference call webcast will be available at www.Hanes.com/investors. A telephone playback will be available from approximately 7:30 p.m. EDT today through midnight EDT Aug. 9, 2016. The replay will be available by calling toll-free (855) 859-2056, or by toll call at (404) 537-3406. The replay pass code is 54451096.

Cautionary Statement Concerning Forward-Looking Statements

This press release contains certain "forward-looking statements," as defined under U.S. federal securities laws, with respect to our long-term goals and trends associated with our business, as well as guidance as to future performance. In particular, among others, statements following the heading "2016 Financial Guidance," as well as statements about the benefits anticipated from the Hanes Europe Innerwear, Knights Apparel, Champion Japan licensee, and Champion Europe and Pacific Brands acquisitions, and assumptions regarding consumer behavior are forward-looking statements. These forward-looking statements are based on our current intent, beliefs, plans and expectations. Readers are cautioned not to place any undue reliance on any forward-looking statements. Forward-looking statements necessarily involve risks and uncertainties, many of which are outside of our control, that could cause actual results to differ materially from such statements and from our historical results and experience. These risks and uncertainties include such things as: our ability to achieve expected synergies and successfully complete the integration of Champion Europe, Pacific Brands and other acquisitions, the level of expenses and other charges related to the Champion Europe and Pacific Brands acquisitions and the funding thereof; any inadequacy, interruption, integration failure or security failure with respect to our information technology; the impact of significant fluctuations and volatility in various input costs, such as cotton and oil-related materials, utilities, freight and wages; our ability to manage our inventory effectively and accurately forecast demand for our products; the highly competitive and evolving nature of the industry in which we compete; the risk of improper conduct by any of our employees, agents or business partners that threatens our reputation and ability to do business; our complex multinational tax structure; significant fluctuations in foreign exchange rates; our ability to access sufficient capital at reasonable rates or commercially reasonable terms or to maintain sufficient liquidity in the amounts and at the times needed; risks associated with our indebtedness; other risks related to our international operations, including the impact to our business as a result of the United Kingdom's recent referendum to leave the European Union; and other risks identified from time to time in our most recent Securities and Exchange Commission reports, including our annual report on Form 10-K and quarterly reports on Form 10-Q. Since it is not possible to predict or identify all of the risks, uncertainties and other factors that may affect future results, the above list should not be considered a complete list. Any forward-looking statement speaks only as of the date on which such statement is made, and HanesBrands undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, other than as required by law.

HanesBrands

HanesBrands, based in Winston-Salem, N.C., is a socially responsible leading marketer of everyday basic innerwear and activewear apparel in the Americas, Europe and Asia under some of the world's strongest apparel brands, including *Hanes*, *Champion*, *Playtex*, *DIM*, *Bali*, *Maidenform*, *Bonds*, JMS/*Just My Size*, *L'eggs*, *Wonderbra*, *Nur Die/Nur Der*, *Lovable*, *Berlei*, and *Gear for Sports*. The company sells T-shirts, bras, panties, shapewear, underwear, socks, hosiery, and activewear produced in the company's low-cost global supply chain. A member of the S&P 500 stock index, Hanes has approximately 65,300 employees in more than 40 countries and is ranked No. 448 on the Fortune 500 list of America's largest companies by sales. Hanes takes pride in its strong reputation for ethical business practices. The company is the only apparel producer to ever be honored by the Great Place to Work Institute for its workplace practices in Central America and the Caribbean, and is ranked No. 167 on the Forbes magazine list of America's Best Employers. For seven consecutive years, Hanes has won the U.S. Environmental Protection Agency Energy Star sustained excellence/partner of the year award - the only apparel company to earn sustained excellence honors. The company ranks No. 172 on Newsweek magazine's green list of 500 largest U.S. companies for environmental achievement. More information about the company and its corporate social responsibility initiatives, including environmental, social compliance and community improvement achievements, may be found at www.Hanes.com/corporate.

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TABLE 1

HANESBRANDS INC.
Condensed Consolidated Statements of Income
(Amounts in thousands, except per-share amounts)
(Unaudited)

	Quarter Ended			Six Months Ended		
	July 2, 2016	July 4, 2015	% Change	July 2, 2016	July 4, 2015	% Change
Net sales	$ 1,472,731	$ 1,522,033	(3.2)%	$ 2,691,871	$ 2,730,954	(1.4)%
Cost of sales	915,440	953,808		1,677,324	1,716,498	
Gross profit	557,291	568,225	(1.9)%	1,014,547	1,014,456	— %
As a % of net sales	**37.8%**	**37.3%**		**37.7%**	**37.1%**	
Selling, general and administrative expenses	336,081	429,292		670,932	785,592	
As a % of net sales	**22.8%**	**28.2%**		**24.9%**	**28.8%**	
Operating profit	221,210	138,933	59.2 %	343,615	228,864	50.1 %
As a % of net sales	**15.0%**	**9.1%**		**12.8%**	**8.4%**	
Other expenses	48,325	830		48,974	1,212	
Interest expense, net	36,540	29,020		68,106	55,907	
Income before income tax expense	136,345	109,083		226,535	171,745	
Income tax expense	8,202	14,181		18,123	24,207	
Net income	$ 128,143	$ 94,902	35.0 %	$ 208,412	$ 147,538	41.3 %
Earnings per share:						
Basic	$ 0.34	$ 0.23	47.8 %	$ 0.54	$ 0.37	45.9 %
Diluted	$ 0.34	$ 0.23	47.8 %	$ 0.54	$ 0.36	50.0 %
Weighted average shares outstanding:						
Basic	379,233	403,949		383,448	403,819	
Diluted	382,511	407,510		386,756	407,384	

TABLE 2

HANESBRANDS INC.
Supplemental Financial Information
(Dollars in thousands)
(Unaudited)

	Quarter Ended			Six Months Ended		
	July 2, 2016	July 4, 2015	% Change	July 2, 2016	July 4, 2015	% Change
Segment net sales[1]:						
Innerwear	$ 749,224	$ 786,400	(4.7)%	$ 1,309,950	$ 1,340,004	(2.2)%
Activewear	367,394	381,087	(3.6)%	676,919	682,097	(0.8)%
Direct to Consumer	86,451	89,814	(3.7)%	156,253	160,971	(2.9)%
International	269,662	264,732	1.9 %	548,749	547,882	0.2 %
Total net sales	$ 1,472,731	$ 1,522,033	(3.2)%	$ 2,691,871	$ 2,730,954	(1.4)%
Segment operating profit[1]:						
Innerwear	$ 181,447	$ 202,036	(10.2)%	$ 299,419	$ 318,099	(5.9)%
Activewear	55,816	60,033	(7.0)%	88,385	91,203	(3.1)%
Direct to Consumer	8,299	8,856	(6.3)%	5,277	4,326	22.0 %
International	23,153	20,384	13.6 %	47,872	41,879	14.3 %
General corporate expenses/other	(23,110)	(26,410)	(12.5)%	(48,274)	(57,449)	(16.0)%
Acquisition, integration and other action related charges	(24,395)	(125,966)	(80.6)%	(49,064)	(169,194)	(71.0)%
Total operating profit	$ 221,210	$ 138,933	59.2 %	$ 343,615	$ 228,864	50.1 %
EBITDA[2]:						
Net income	$ 128,143	$ 94,902		$ 208,412	$ 147,538	
Interest expense, net	36,540	29,020		68,106	55,907	
Income tax expense	8,202	14,181		18,123	24,207	
Depreciation and amortization	24,007	26,234		46,827	50,807	
Total EBITDA	$ 196,892	$ 164,337	19.8 %	$ 341,468	$ 278,459	22.6 %

[1] As a result of a shift in management responsibilities, the Company decided in the first quarter of 2016 to move its wholesale e-commerce business, that sells products directly to retailers, from the Direct to Consumer segment to the Innerwear and Activewear segments. In addition, revisions were made to the manner in which certain selling, general and administrative expenses are allocated. Prior-year segment sales and operating profit results have been revised to conform to the current year presentation.

[2] Earnings before interest, taxes, depreciation and amortization (EBITDA) is a non-GAAP financial measure.

TABLE 3

HANESBRANDS INC.
Condensed Consolidated Balance Sheets
(Dollars in thousands)
(Unaudited)

	July 2, 2016	January 2, 2016
Assets		
Cash and cash equivalents	$ 660,997	$ 319,169
Trade accounts receivable, net	857,562	680,417
Inventories	2,006,867	1,814,602
Other current assets	108,066	103,679
Total current assets	3,633,492	2,917,867
Property, net	672,807	650,462
Intangible assets and goodwill	1,786,104	1,534,830
Other noncurrent assets	522,247	494,431
Total assets	$ 6,614,650	$ 5,597,590
Liabilities		
Accounts payable and accrued liabilities	$ 1,189,637	$ 1,133,305
Notes payable	85,528	117,785
Accounts Receivable Securitization Facility	208,434	195,163
Current portion of long-term debt	67,315	57,656
Total current liabilities	1,550,914	1,503,909
Long-term debt	3,466,525	2,232,712
Other noncurrent liabilities	547,519	585,078
Total liabilities	5,564,958	4,321,699
Equity	1,049,692	1,275,891
Total liabilities and equity	$ 6,614,650	$ 5,597,590

TABLE 4

HANESBRANDS INC.
Condensed Consolidated Statements of Cash Flows
(Dollars in thousands)
(Unaudited)

	Six Months Ended	
	July 2, 2016	July 4, 2015
Operating Activities:		
Net income	$ 208,412	$ 147,538
Depreciation and amortization	46,827	50,807
Other noncash items	54,288	3,851
Changes in assets and liabilities, net	(438,605)	(435,264)
Net cash from operating activities	(129,078)	(233,068)
Investing Activities:		
Purchases/sales of property and equipment, net, and other	(27,037)	(51,093)
Acquisition of businesses, net of cash acquired	(193,396)	(193,461)
Net cash from investing activities	(220,433)	(244,554)
Financing Activities:		
Cash dividends paid	(84,234)	(81,470)
Share repurchases	(379,901)	—
Net borrowings on notes payable, debt and other	1,154,816	638,171
Net cash from financing activities	690,681	556,701
Effect of changes in foreign currency exchange rates on cash	658	(3,580)
Change in cash and cash equivalents	341,828	75,499
Cash and cash equivalents at beginning of year	319,169	239,855
Cash and cash equivalents at end of period	$ 660,997	$ 315,354

TABLE 5

HANESBRANDS INC.
Supplemental Financial Information
Reconciliation of Select GAAP Measures to Non-GAAP Measures
(Amounts in thousands, except per-share amounts)
(Unaudited)

	Quarter Ended		Six Months Ended	
	July 2, 2016	**July 4, 2015**	**July 2, 2016**	**July 4, 2015**
Gross profit, as reported under GAAP	$ 557,291	$ 568,225	$ 1,014,547	$ 1,014,456
Acquisition, integration and other action related charges	9,300	26,151	14,169	40,219
Gross profit, as adjusted	$ 566,591	$ 594,376	$ 1,028,716	$ 1,054,675
As a % of net sales	**38.5%**	**39.1%**	**38.2%**	**38.6%**
Selling, general and administrative expenses, as reported under GAAP	$ 336,081	$ 429,292	$ 670,932	$ 785,592
Acquisition, integration and other action related charges	(15,095)	(99,815)	(34,895)	(128,975)
Selling, general and administrative expenses, as adjusted	$ 320,986	$ 329,477	$ 636,037	$ 656,617
As a % of net sales	**21.8%**	**21.6%**	**23.6%**	**24.0%**
Operating profit, as reported under GAAP	$ 221,210	$ 138,933	$ 343,615	$ 228,864
Acquisition, integration and other action related charges included in gross profit	9,300	26,151	14,169	40,219
Acquisition, integration and other action related charges included in SG&A	15,095	99,815	34,895	128,975
Operating profit, as adjusted	$ 245,605	$ 264,899	$ 392,679	$ 398,058
As a % of net sales	**16.7%**	**17.4%**	**14.6%**	**14.6%**
Net income, as reported under GAAP	$ 128,143	$ 94,902	$ 208,412	$ 147,538
Acquisition, integration and other action related charges included in gross profit	9,300	26,151	14,169	40,219
Acquisition, integration and other action related charges included in SG&A	15,095	99,815	34,895	128,975
Debt refinance charges included in other expenses	47,291	—	47,291	—
Tax effect on actions	(4,996)	(16,376)	(7,709)	(23,292)
Net income, as adjusted	$ 194,833	$ 204,492	$ 297,058	$ 293,440
Diluted earnings per share, as reported under GAAP	$ 0.34	$ 0.23	$ 0.54	$ 0.36
Acquisition, integration and other action related charges and debt refinance charges	0.17	0.27	0.23	0.36
Diluted earnings per share, as adjusted	$ 0.51	$ 0.50	$ 0.77	$ 0.72

Hanesbrands FAQs

Updated August 2, 2016– New or updated information is in red

Current Period – related FAQs

Q: Given the challenging retail environment, why are you able to reiterate your full-year guidance?

A: *We reiterated our full year guidance for sales, adjusted operating profit (excluding acquisition and integration charges), adjusted earnings per share and cash flow from operations based on three factors. One, the challenges in the overall retail environment were already reflected in our guidance when it was initially set back in February. Two, overall our year-to-date results are in-line with our plan. And three, as we look to the back half of the year, we believe we are very well positioned to achieve our guidance as our key initiatives are unfolding as expected.*

Q: What gives you confidence in your ability to achieve your guidance for the second half?

A: *While there are many initiatives driving our confidence in delivering on the second half, here are four examples. First, our inventory reduction actions are complete and delivering their intended results. Adjusting for the $51 million from Champion Europe, our inventory declined from first quarter's level, which in-turn helped drive $156 million in cash flow from operations in the quarter, a record for any second quarter in our history. We expect our inventory, excluding Champion Europe and Pacific Brands, to continue to decline through the second half of the year and we are firmly on-track to achieve our cash flow guidance. Second, the initiative that we laid out at the beginning of the year to drive volume growth in our core Innerwear business is gaining traction. For the quarter, we grew market share in Men's Underwear, Women's Panties and Socks. Moreover, our "focus on the core" initiative positions us well for the second half. We have targeted promotions in place for both back-to-school and holiday. We're also set to begin advertising behind our new innovation, FreshIQ. Third, the integrations of Hanes Europe and Knights Apparel are tracking to plan, which puts us on-schedule to deliver $40 million in synergies this year. And fourth, we closed our two most recent acquisitions, Champion Europe and Pacific Brands.*

Q: What macroeconomic expectations are factored into your 2016 guidance?

A: *From a macro perspective, we assume the overall consumer environment remains challenging, as has been the case over the past several years. The low-end of our guidance assumes that the poor holiday traffic trends in the fourth quarter of 2015 repeat in 2016, while the high-end of our guidance assumes a more normalized fourth quarter in 2016 as well as contributions from our various sales initiatives.*

Q: Can you provide any insights into your second half guidance?

A: *We reiterated our full-year outlook, which at their mid-points implies 8% growth in revenue, 11% growth in adjusted operating profit, 16% growth in adjusted EPS and $800 million in cash flow from operations. With respect to the acquisitions of Champion Europe and Pacific Brands, while we gave you their expected contributions for the full year in late May, the specific guidance for the quarters is very different then what one might expect due to the timing of when we closed Pacific Brands (mid-July) and their seasonality. About $200 million, or approximately 55% of the estimated 2016 sales contribution from Champion Europe and Pacific Brands, are expected to be in the fourth quarter. For total HBI, that means third quarter sales should be slightly greater than the fourth quarter as the impact from these acquisitions tempers some of our normal sales cadence. However, from a profit perspective, virtually the entire $0.04 adjusted EPS increase from late May is expected in the fourth quarter. This leaves the total company's estimate for Q3 GAAP EPS of $0.43 to $0.45 and Q3 adjusted EPS of $0.55 to $0.57, while Q4 GAAP EPS is estimated to be $0.47 to $0.55 and Q4 adjusted EPS of $0.57 to $0.61.*

Q: Why did your plan call for a decline in second quarter results from last year?

A: *We planned for a decline in our second quarter results from last year due to the anniversary of sizeable X-Temp and Champion pipes, which drove mid-single digit revenue growth in Basics and 42% growth in Champion in the sporting goods, mid-tier and department stores channels in the second quarter last year.*

Q: Why did your gross margin decline in the second quarter and should we expect an improvement in the second half?

A: *The decline in our gross margin for both the second quarter and the first half was due to the expected inventory management costs of $12 million and $20 million, respectively. Absent these costs, which we do not have in the second half, our gross margin for both the second quarter and the first half would have been up over prior year.*

Q: Can you provide any insights into your FreshIQ innovation?

A: *Fresh IQ is an odor control technology that mechanically attacks bacteria. This is a great innovation that we believe has the potential to impact the overall apparel category. In fact, we've seen some of our highest advertising testing ever with this new product and the reception by our retailers has been strong. The benefits of FreshIQ span both Innerwear and Activewear and it's now in the market in men's underwear, socks and certain Champion products.*

Q: Why did your 2016 guidance for pretax acquisition and integration charges increase $20 million?

A: *The vast majority of the $20 million increase, which is all non-cash, to our estimate for acquisition and integration charges was due to higher purchase accounting adjustments now that the acquisitions of Champion Europe and Pacific Brands have closed.*

Q: Can you provide any insights into the pretax acquisition and integration-related charges in your 2016 guidance?

A: *Our estimate for pretax acquisition and integration-related charges is approximately $180 million. This consists of approximately $80 million related to Hanes Europe (formerly DBApparel), Knights Apparel and Champion Japan; approximately $53 million related to Champion Europe and Pacific Brands, of which the vast majority are deal costs and the purchase accounting adjustments required under GAAP; and approximately $47 million related to refinancing actions. We estimate that roughly 60% of the approximately $180 million in acquisition and integration-related charges in 2016 should be cash-based and roughly 40% should be non-cash charges.*

Q: What is your estimate for total pretax acquisition and integration-related charges for Champion Europe and Pacific Brands?

A: *We expect the total acquisition and integration charges for the Champion Europe and Pacific Brands acquisitions, combined, to be less than $100 million, of which approximately $53 million are expected to be recognized this year. This is significantly lower than prior acquisitions due to three factors: (1) we have become more efficient at integrating acquired businesses; (2) the benefits from our prior foundational IT investments; and, (3) these two integrations are less complex.*

Q: You mentioned that your inventory at the end of the quarter declined from first quarter but your balance sheet indicates an increase, can you explain the difference?

A: *We closed the Champion Europe acquisition on June 30, 2016. Per GAAP accounting rules, our balance sheet is reflective of the last day of our quarter, which was July 2, 2016. Excluding the $51 million of inventory from Champion Europe, our inventory in the second quarter declined from first quarter's level.*

Q: Given all of the work you did in the second quarter to optimize your capital structure, can you provide any insights into your ongoing interest and other expense?

A: *Given the current interest rate environment, the need to fund recent acquisitions and higher-rate Notes that were callable, we proactively took the opportunity during the second quarter to optimize our capital structure. We lowered our overall interest rate and increased the amount of fixed rate debt on our balance sheet. Roughly two-thirds of our debt is now fixed and we have a blended interest rate of approximately 3.6%. Our current run-rate for Interest and Other Expense is approximately $160 million, annually, which includes debt amortization.*

Q: Can you provide any insights on the comments from the call regarding HBI's performance over the past decade?

A: *Over the last ten years, the Company's had three distinct phases: the first, to transform our supply chain and cost structure to make us competitive globally; the second, to drive Innovate-to-Elevate to expand our operating margins; and the third, grafting both of these strategies onto acquisitions. Over that time, we built a strong business model that creates value by nurturing world-class brands, delivering innovation to a broad base of consumers, driving volume through our highly-efficient global supply chain, and effectively deploying our cash flow. The result has been great for all of our stakeholders. Over this decade we have increased revenue from approximately $4 billion to nearly $7 billion, allowing us to expand our employment base from roughly fifty thousand to approximately seventy thousand people. We have completed eight acquisitions, many internationally, with international sales now close to a third of the business. But we paid attention to more than just expanding the business: we have won numerous awards for our community support, our environmental efforts, and have also been recognized as a "great place to work". All of this great effort can be seen in our financial results: we increased operating profit from roughly $400 million to over $1 billion, grown earnings per share from $0.37 to over $2.00 – a 20% CAGR for the decade, and generated more than $4 billion in cash flow from operations.*

Q: What acquisition expectations are factored into your 2016 guidance?

A: *With respect to our acquisitions of DBApparel, Knights Apparel and Champion Japan, our 2016 guidance assumes approximately $50 million in revenue, approximately $40 million in synergy contributions and approximately $80 million in pretax acquisition and integration-related charges (of which roughly $54 million were recognized in the first half). The revenue assumptions include roughly $20 million from the Knights Apparel wrap in the first quarter (recall we closed our acquisition of Knights Apparel on April 6, 2015) and approximately $30 million from the re-acquisition of the remainder of the Champion rights in Japan. The roughly $40 million in expected synergy contributions are from Hanes Europe Innerwear (formerly DBApparel), Knights Apparel as well as the remaining synergies from Maidenform. The bulk of these acquisition synergies are expected to be in SG&A in the second half of 2016. Of the approximately $80 million in pretax charges, we expect roughly 80% are attributable to Hanes Europe Innerwear, roughly 15% to Knights Apparel and the balance to Champion Japan.*

With respect to the partial year contributions from Champion Europe and Pacific Brands, our 2016 guidance includes approximately $350 million in revenue, approximately $20 to $25 million in adjusted operating profit, which excludes approximately $53 million in pretax acquisition and integration-related charges.

Q: Given the updated guidance reflects partial year contributions from recently announced acquisitions as well incremental interest expense, can you provide an annualized outlook of these factors?

A: *Due to the expected timing of the closing of Champion Europe and Pacific Brands as well as their seasonality, our updated 2016 guidance includes about one-third of their annual operating profit, excluding approximately $53 million of acquisition and integration-related charges, while it includes roughly three-fourths of the associated annual interest expense. On an annual basis, excluding any potential synergies and pretax charges, we would expect Champion Europe and Pacific Brands to contribute approximately $800 million in sales and approximately $70 million in adjusted operating profit.*

Q: How big is the online channel for Hanesbrands and are you focused on driving growth in this channel?

A: Our U.S. online sales represent roughly 8% of our total domestic sales across the online sites of traditional retailers, online pure-plays as well as our own websites, and are growing faster than the overall online apparel category. We have focused and dedicated numerous people and resources to drive our online business both domestically and internationally, and we have seen great success. For example, one of the largest online pure-plays is now our 7th largest domestic customer, representing over 1% of total sales.

Q: Given comments in the press regarding inversions and earnings stripping can you comment on your tax rate?

A: The recent comments in the press were centered around artificial tax structures, with a specific focus on inversions and earnings stripping. We do not use inversions. We do not do earnings stripping. We do not engage in artificial tax management. Our accounting and tax strategies are sound. In fact, we were recently audited by the IRS (see our third quarter 2015 Form 10Q) and the audit was closed with no adjustments. Our tax rate is the by-product of our global business model, which we believe is sustainable for many years to come.

Q: Have your thoughts on capital allocation changed?

A: There is no change to our strategy. Our capital allocation strategy is to effectively deploy our significant, consistent cash flow to generate the best long-term returns for our shareholders. Over time, our goal is for our net debt-to-EBITDA to be in a range of 2 to 3 times. Our strategy is to use our cash flow to fund capital investments and our dividend, use debt for acquisitions and use excess free cash flow, which is defined as cash from operations less capital expenditures and dividends, to repurchase stock.

Q: Will your capital expenditures increase significantly as a result of your acquisition strategy?

A: With acquisitions, as the size of our business, profit and cash flows increases, so should the absolute level of our capital spending. Although our spending on capital expenditures has and is expected to continue to fluctuate year to year, we expect our capital expenditures to average around 1.75% of sales going forward, which is in-line with our historical average, and over time should roughly equal depreciation. Spending at this level should allow our global supply chain to remain competitive while also handling the increased capacity needs for growth and our acquisition strategy.

Q: How does a change in currency exchange rates impact your financial results?

A: Changes in exchange rates between the U.S. Dollar and other currencies can impact our financial results in two ways; a translation impact and a transaction impact. The translation impact refers to the impact that changes in exchange rates can have on our published financial results. Similar to many multi-national corporations that publish financial results in U.S. Dollars, our revenue and profit earned in local foreign currencies is translated back into U.S. Dollars using an average exchange rate over the representative period. A period of strengthening in the U.S. Dollar results in a negative impact to our published financial results (because it would take more units of a local currency to convert into a dollar). The opposite is true during a period of weakening in the U.S. Dollar. Our biggest foreign currency exposure is the euro. The transaction impact on financial results is common for apparel companies that source goods because these goods are purchased in U.S. Dollars. The transaction impact from a strengthening dollar would be negative to our financial results (because the U.S. Dollar-based costs would convert into a higher amount of local currency units, which means a higher local-currency cost of goods, and in turn, a lower local-currency gross profit). The transaction impact from exchange rates is typically recovered over time with price increases. However, during periods of rapid change in exchange rates; pricing is unable to change quickly enough. In these situations, it could make sense to hedge the exchange rate exposure in sourcing costs.

Pacific Brands-related FAQs

Q: Do you believe your acquisition strategy is creating strong returns for shareholders?

A: *Yes. The rationale for our acquisition strategy is to generate long-term shareholder returns by applying our proven 'Sell More' and 'Spend Less' strategies to newly acquired businesses to create substantial multi-year synergies. For example, our completed acquisitions have brought with them approximately $120 million in operating profit and we expect to add another approximately $170 million through synergies, of which slightly over $100 million have been recognized through the end of the first quarter 2016. Champion Europe and Pacific Brands are expected to add to these returns by contributing an additional approximately $125 million in combined operating profit, excluding acquisition and integration-related charges[1], once full synergies are achieved.*

With eight acquisitions in less than six years, our Innovate-to-Elevate and acquisition strategies have significantly remade our company since 2010. Back then, there were only 5 countries where we held the #1 or #2 market position. We had roughly $4 billion in sales, only 11% of which came from outside the U.S., roughly $381 million in operating profit, a 9% operating margin and roughly $133 million in cash flow from operations. Going forward, if you take our current 2016 guidance and layer in the full synergies from all of our acquisitions, including Champion Europe and Pacific Brands, we'll be the largest basic apparel company in the world with the #1 or #2 market position in 12 countries. We'll have more than 30% of our revenue in international markets. Annually we expect to have approximately $7 billion in sales, over $1.1 billion in operating profit, a mid-teens operating margin and over a billion dollars in cash flow from operations. That's a remarkable change. But the reality is, we've only begun to hit our stride. Given the scalability our business model and the potential of our acquisition pipeline, there is ample opportunity to continue to create value for many years to come.

Q: What is driving the value creation for the Pacific Brands acquisition?

A: *Pacific Brands squarely hits on all four of our acquisition criteria. It's in our core categories. It provides complementary revenue growth opportunities. It is justifiable based solely on cost synergies and it's quickly accretive. The majority of the expected value creation is from supply chain synergies. Pacific Brands sources the vast majority of the products in its Underwear segment and we see a significant synergy opportunity by plugging their Underwear business into the Asian cluster of our company-owned supply chain, especially in Vietnam. But this opportunity goes beyond the typical 15-20% cost reduction we expect to achieve by in-sourcing only their high volume styles. Their products are very similar to our Hanes Europe products, which means as we harmonize these products we'll increase the total number of high volume styles that can be brought in-house. In other words, this acquisition not only drives manufacturing synergies on its own, it also creates incremental synergy benefits for prior acquisitions, which underscores the power of our company-owned supply chain. The other factor driving the expected value creation is revenue growth. Pacific Brands' Underwear group has been executing a strategy to drive profitable revenue growth by investing behind its brands, growing its retail presence and expanding online. This strategy is working as its Underwear segment sales over the past three years have grown at a compound annual growth rate of roughly 7%. As management continues to drive its strategy and we layer on our innovation process, we see a long runway for mid-to-high single digit revenue growth.*

Q: How should investors think about Pacific Brands' business on a go-forward basis and what is the expected financial contribution of this acquisition within three years?

A: *Pacific Brands base business, which we define as their Underwear and Sheridan segments, generates approximately AUD800 million (US$600 million) in annual sales with a high-single digit operating margin. As we complement their growth strategy, strong brands and Australian design with our Innovate-to-Elevate strategy and low-cost global supply chain, we believe we can grow their base revenue at mid-to-high single digit rates while increasing operating margins to the mid-teens. Over the next three years, once synergies are fully realized, we believe Pacific Brands can annually contribute over AUD930 million in revenue and approximately AUD140 million in operating profit, excluding acquisition and integration-related charges[1]. Assuming an exchange rate of AUD1:US$0.76, this would equate to over US$700 million in revenue and over US$100 million in operating profit, excluding acquisition and integration-related charges[1. We expect this acquisition to deliver an after-tax IRR in the mid-teens.*

Q: Can you provide any insight into Pacific Brands?

A: *Pacific Brands is the leading underwear and intimate apparel company in Australia. Their products are distributed through the wholesale channel (roughly 60% of sales), in-store retail (roughly one-third of sales) and online retail (roughly 7% of sales). They have a strong management team that like us, nurtures its brands and uses a disciplined, consumer packaged goods approach to managing their business. Historically, Pacific Brands was much more diversified company. Several years ago management embarked on a significant restructuring to streamline the company down to its core Underwear and Sheridan business units. Its Tontine pillow and Dunlop flooring businesses, which account for roughly 12% of sales, fall well outside of Hanesbrands core categories and therefore, our intention is to divest these over time. These two business operations are excluded from our long-term projections and will be reported as discontinued operations after the acquisition closes.*

Q: Can you provide any insight into Pacific Brands Underwear segment?

A: *The Underwear segment, which accounts for the majority of Pacific Brands' revenue and operating profit, is very similar to us. They have big, strong, iconic brands, including Bonds, which has more than a century of history. With 90% brand awareness and the #1 share of the underwear and socks markets, the Bonds brand is akin to the Hanes of Australia. As a company, Pacific Brands holds the #1 share position in men's, women's and kid's underwear, as well as in bras, sports bras, socks and hosiery. They also hold the #2 market position in babywear (i.e. infant apparel) and casual clothing. Their products are distributed across all channels with a growing presence in online and company-owned retail.*

Q: What are your plans for the Sheridan business segment?

A: *The Sheridan brand has nearly 50 years of history and its products include premium linens, towels, loungewear and recently launched babywear. Sheridan holds the #1 market position in its main categories, its infrastructure is highly integrated with the Underwear group and its products are primarily distributed through high-end department store concessions and branded stores. With Sheridan's strong brand position and its entrance into loungewear and babywear, we believe this segment has attractive growth and profitability characteristics.*

Q: Does this acquisition preclude you from another acquisition in 2016?

A: *While we intend to turn our focus to developing the integration and growth plans for both the Champion Europe and the Pacific Brands acquisitions, there remain a variety of potential opportunities. We cannot predict the timing of any single acquisition, which is why we are always talking to people. As we have said many times before, we will not take on more integration and business risk than we believe the organization can handle and when we have the next signed deal, we'll let you know.*

Q: Excluding the purchase price, what are the total costs associated with the Pacific Brands acquisition? And what portion will be cash-based?

A: *We will provide more detail once the acquisition is closed and we have a detailed integration plan in place.*

Champion Europe-related FAQs

Q: What is the rationale and expected return for this acquisition?

A: *The rationale for all of our acquisitions is to generate long-term shareholder returns by applying our proven 'Sell More' and 'Spend Less' strategies to newly acquired businesses to create substantial multi-year synergies. Champion Europe squarely hits on all four of our acquisition criteria. It's in our core categories. It provides complementary revenue growth opportunities. It is justifiable based solely on cost synergies and it's quickly accretive. This acquisition is expected to deliver an after-tax IRR in the low-to-mid teens.*

Q: What are some of the global growth initiatives for Champion?

A: *By unifying the Champion brand globally, we have significant opportunities to grow revenue by expanding our distribution across product lines, across channels and across geographies. In the U.S., we've developed a very broad product line under Champion that spans from mass price points all the way up to the higher-priced sporting goods and department store channels. We can now take this broad product line and sell it into Europe, Japan, Australia, and other international markets. As we build scale by expanding Champion's distribution worldwide, we expect to be able to leverage global product design as well as our low-cost supply chain to further reduce costs and ultimately improve our operating margins. With this acquisition, we now sell Champion products on five continents and have approximately $1.2 billion in Champion revenue worldwide. We believe our Champion revenue can increase at high single-digit to low double-digit rates and could approach $2 billion within five to six years.*

Q: Can you provide any insight into Champion Europe's current financial performance?

A: *Champion Europe currently expects full-year 2016 net sales of more than €190 million, EBITDA, excluding charges, of approximately €20 million, and operating profit, excluding charges, of approximately €15.*

Q: What is the expected financial contribution of the Champion Europe acquisition within three years?

A: *Over the next three years, excluding the broader global Champion growth opportunities, we believe Champion Europe's stand-alone operations can increase revenue from more than €190 million to well over €250 million. Through a combination of supply chain synergies and revenue growth, we believe Champion Europe's stand-alone operations, over the next three years, can increase operating profit, excluding acquisition and integration-related charges[(1)], from roughly €15 million to well over €25 million.*

Q: Can you provide any insight into Champion Europe's business operations?

A: *Champion Europe owns the trademark rights for the Champion brand in Europe, the Middle East and Africa. The Company, which is based in Italy, designs, sources and sells Champion athletic apparel and accessories wholesale to retailers and directly to consumers via roughly 130 company-owned stores. The vast majority of Champion Europe's revenue is in Italy and Greece. With respect to its merchandise mix, based on FY15 revenue, roughly 40% was men's apparel, roughly 30% was women's apparel, roughly 20% was youth and toddler apparel and the remainder was accessories.*

Q: Given the value creation is more weighted toward complementary revenue growth opportunities, is there an increased risk to achieving your expected IRR relative to prior acquisitions?

A: *No, like all of our acquisitions, we are able to justify Champion Europe based solely on the expected cost synergies, which in this case will come almost entirely from supply chain synergies. Champion Europe is not our first acquisition in which the value creation was weighted toward complementary revenue growth. This was also the case with both our Gear For Sports and Knight Apparel acquisitions. Looking at Gear For Sports, we are estimating approximately $350 million in revenue for 2016, which is more than 50% higher than their revenue base of roughly $225 million at the time of our acquisition in 2010. Looking at Knights Apparel, we are estimating revenue of approximately $200 million in 2016, which is approximately 20% higher than their 2014 revenue base of roughly $165 million.*

Q: Will Champion Europe be integrated into Hanes Europe Innerwear?

A: *No. We run Innerwear and Activewear separately in the U.S. and we will do the same in Europe. There are no real synergies to be gained by integrating these two businesses. Champion Europe will be integrated into our global supply chain but it will be run as part of the global Champion Activewear business.*

Q: Excluding the purchase price, what are the total costs associated with the Champion Europe acquisition? And what portion will be cash-based?

A: *We will provide more detail once the acquisition is closed and we have a detailed integration plan in place.*

(1) We currently estimate the total, combined acquisition and integration costs for Champion Europe and Pacific Brands to be less than $100 million.

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Charges for Actions and Reconciliation to GAAP Measures

To supplement its financial guidance prepared in accordance with generally accepted accounting principles, Hanes provides quarterly results and guidance concerning certain non-GAAP financial measures, including adjusted EPS, adjusted net income, adjusted operating profit (and margin), adjusted SG&A, adjusted gross profit (and margin) and EBITDA. Adjusted EPS is defined as diluted EPS excluding actions and the tax effect on actions. Adjusted net income is defined as net income excluding actions and the tax effect on actions. Adjusted operating profit is defined as operating profit excluding actions. Adjusted gross profit is defined as gross profit excluding actions. Adjusted SG&A is defined as selling, general and administrative expenses excluding actions. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Hanes has chosen to provide these non-GAAP measures to investors to enable additional analyses of past, present and future operating performance and as a supplemental means of evaluating company operations. However, non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as a substitute for financial results prepared in accordance with GAAP. See Table 2 and Table 5 attached to our press release dated August 2, 2016 to reconcile these non-GAAP performance measures to the most directly comparable GAAP measure.

Full-year GAAP operating profit guidance of $760 million to $795 million and EPS guidance of $1.44 to $1.54 reflects Hanes' expectations for net sales, operating profit, interest expense, and tax rate as detailed in this FAQ document. Full-year Non-GAAP adjusted operating profit guidance of $940 million to $975 million and adjusted EPS guidance of $1.89 to $1.95 reflects the GAAP guidance adjusted by adding back the approximately $180 million of expected pretax charges for debt refinancing and acquisition and integration expenses to adjusted operating profit and adjusted EPS. GAAP EPS is expected to be in the range of $0.43 to $0.45 for the third quarter and in the range of $0.47 to $0.55 for the fourth quarter. Excluding approximately $50 million and $33 million of expected pretax charges for acquisition and integration expenses during the third quarter and fourth quarter, respectively, adjusted EPS is expected to be in the range of $0.55 to $0.57 in the third quarter and in the range of $0.57 to $0.61 in the fourth quarter.

Cautionary Statement Concerning Forward-Looking Statements

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements include all statements that do not relate solely to historical or current facts, and can generally be identified by the use of words such as "may," "believe," "will," "expect," "project," "estimate," "intend," "anticipate," "plan," "continue" or similar expressions. In particular, among others, statements about our 2016 financial guidance and the HanesBrands acquisition of Pacific Brands, Champion Europe and Knights Apparel, as well as the re-acquisition of the rights to Champion in Japan from Goldwin, Inc. (the "acquisitions"), including integration plans and the expected impact of the acquisitions on HanesBrands' sales, earnings, operating profit and cash flow from operations, are forward-looking statements. Forward-looking statements inherently involve many risks and uncertainties that could cause actual results to differ materially from those projected in these statements. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is based on the current plans and expectations of our management, expressed in good faith. However, there can be no assurance that the expectation or belief will result or will be achieved or accomplished, and actual results may differ materially from those contemplated by the forward-looking statements. A number of important factors could cause actual results to differ materially from those contemplated by the forward-looking statements, including, but not limited to our ability to achieve expected synergies and successfully integrate acquired businesses; the level of expenses and other charges related to the acquisitions and the funding thereof; any inadequacy, interruption, integration failure or security failure with respect to our information technology; the impact of significant fluctuations and volatility in various input costs, such as cotton and oil-related materials, utilities, freight and wages; our ability to manage our inventory effectively and accurately forecast demand for our products; the highly competitive and evolving nature of the industry in which we compete; the risk of improper conduct by any of our employees, agents or business partners that threatens our reputation and ability to do business; our complex multinational tax structure; significant fluctuations in foreign exchange rates; our ability to access sufficient capital at reasonable rates or commercially reasonable terms or to maintain sufficient liquidity in the amounts and at the times needed; risks associated with our indebtedness; other risks related to our international operations, including the impact to our business as a result of the United Kingdom's recent referendum to leave the European Union; and other risks identified from time to time in our most recent Securities and Exchange Commission reports, including our annual report on Form 10-K and quarterly reports on Form 10-Q. Since it is not possible to predict or identify all of the risks, uncertainties and other factors that may affect future results, the above list should not be considered a complete list. We believe these forward-looking statements are reasonable; however, undue reliance should not be placed on any forward-looking statements, which are based on current expectations. All forward-looking statements speak only as of the date hereof. We undertake no obligation to update or revise forward-looking statements that may be made to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events, other than as required by law.