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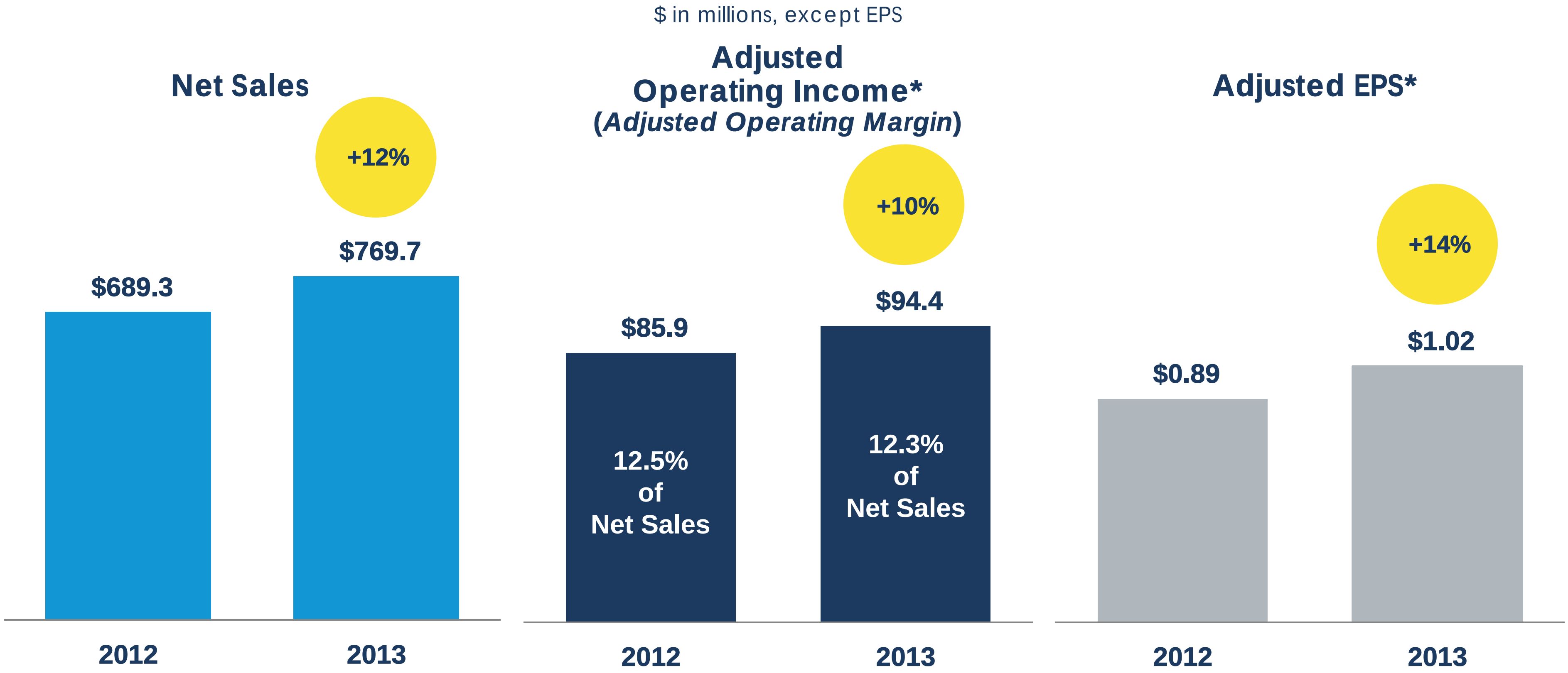
Fourth Quarter & Fiscal 2013

Business Update

February 26, 2014

Fourth Quarter 2013 Highlights

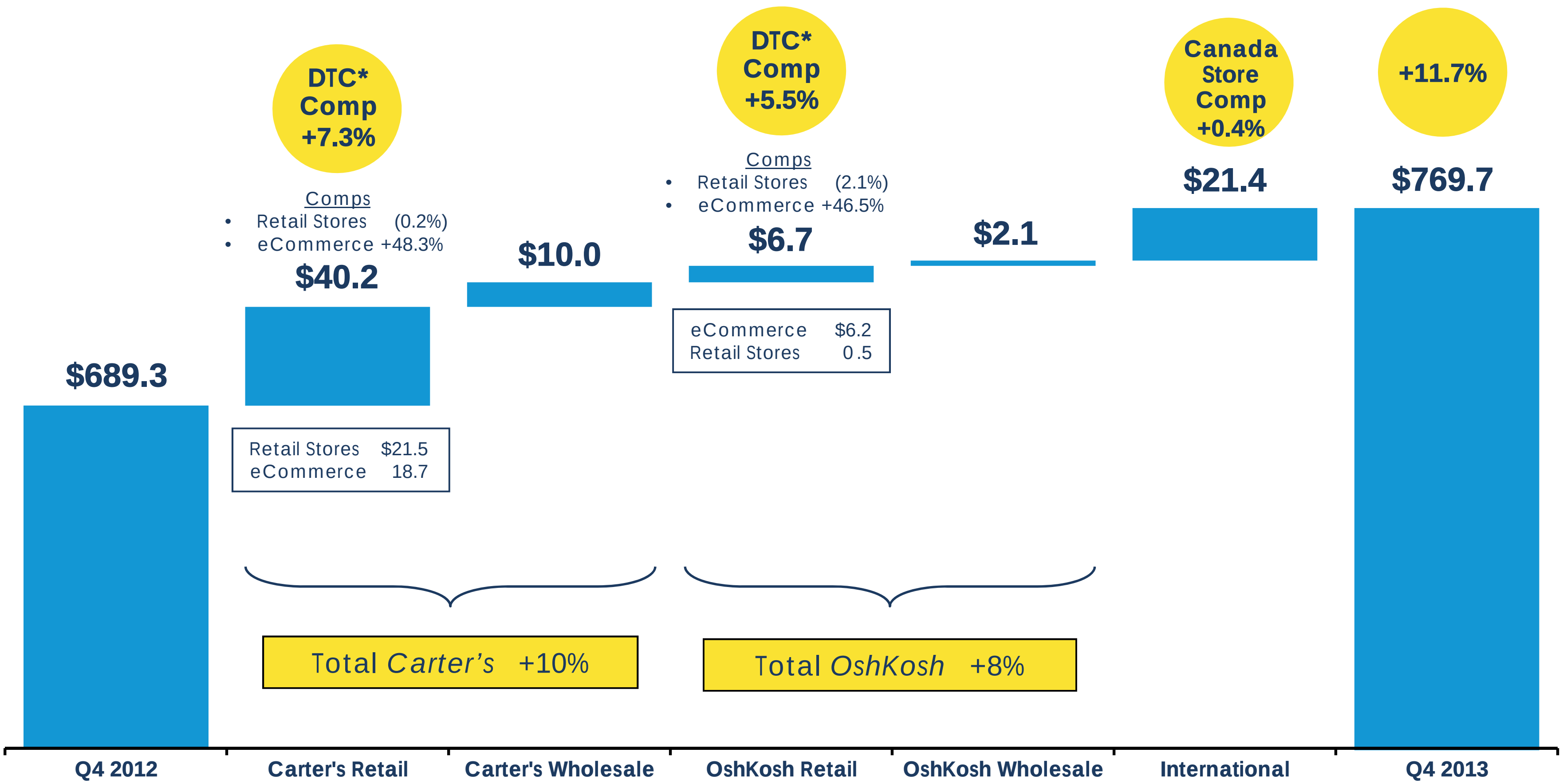


- **Strong sales growth (+12%) across the business**
  - Total *Carter's* +10%
  - Total OshKosh +8%
  - International +33%
- **Q4 completes record full year net sales and earnings results**

** Results are stated on an adjusted basis; see reconciliation to GAAP on page 21.*

Fourth Quarter 2013 Net Sales

$ in millions



	Carter's Retail	Carter's Wholesale	OshKosh Retail	OshKosh Wholesale	International	Q4 2013
Growth vs. 2012	+15.8%	+3.8%	+7.5%	+11.3%	+33.0%	+11.7%

** Direct-to-Consumer ("DTC") Comp is defined as the combination of retail store and eCommerce comparable sales.*
Note: Results may not be additive due to rounding.

Fourth Quarter 2013 Adjusted Results*

$ in millions, except EPS

	Q4 2013	% of Sales	Q4 2012	% of Sales	Fav/ (Unfav)
Net sales	**$769.7**		$689.3		**12%**
Gross profit	**323.5**	42.0%	289.9	42.1%	**12%**
Adjusted SG&A*	**238.9**	31.0%	214.6	31.1%	**(11%)**
Royalty income	**(9.8)**	(1.3%)	(10.5)	(1.5%)	**(7%)**
Adjusted operating income*	**94.4**	12.3%	85.9	12.5%	**10%**
Interest and other, net	**7.5**	1.0%	1.3	0.2%	**(460%)**
Income taxes	**30.8**	4.0%	30.9	4.5%	**0%**
Adjusted net income*	**$56.2**	7.3%	$53.7	7.8%	**5%**
Adjusted diluted EPS*	**$1.02**		$0.89		**14%**
Weighted average shares outstanding	**54.3**		59.2		**8%**
Adjusted EBITDA*	**$111.4**	14.5%	$97.8	14.2%	**14%**

** Results are stated on an adjusted basis; see reconciliation to GAAP on pages 21 & 22.*
Note: Results may not be additive due to rounding.

Fourth Quarter Adjusted SG&A*

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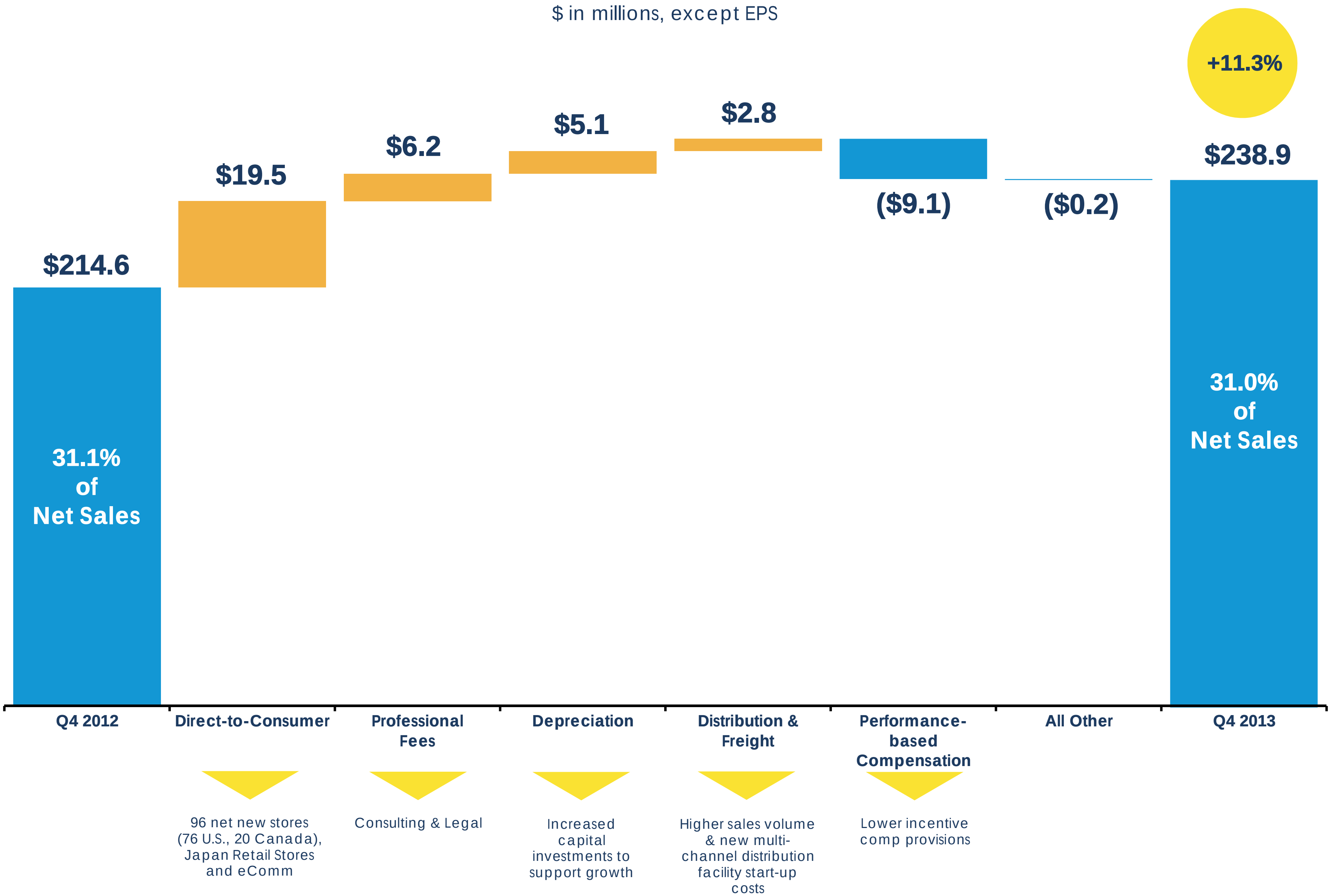

** Results are stated on an adjusted basis; see reconciliation to GAAP on page 21.*
Note: Results may not be additive due to rounding.

2014 Productivity – Areas of Focus

- **Distribution expenses**
  - Complete Braselton multi-channel DC construction and transition
  - Realize efficiency and service level improvements
- **Retail four-wall expenses**
  - Optimize labor spend
  - Reduce non-core tasks
  - Lower operating costs
- **Indirect (non-merchandise) spend**
  - Execute comprehensive review in 2014
- **Organization**
  - Leverage new consolidated headquarters operations
- **Technology**
  - Distribution / warehouse management systems
  - Product lifecycle management system implementation
  - Upgrade order management and financial systems

Fiscal 2013 Net Sales

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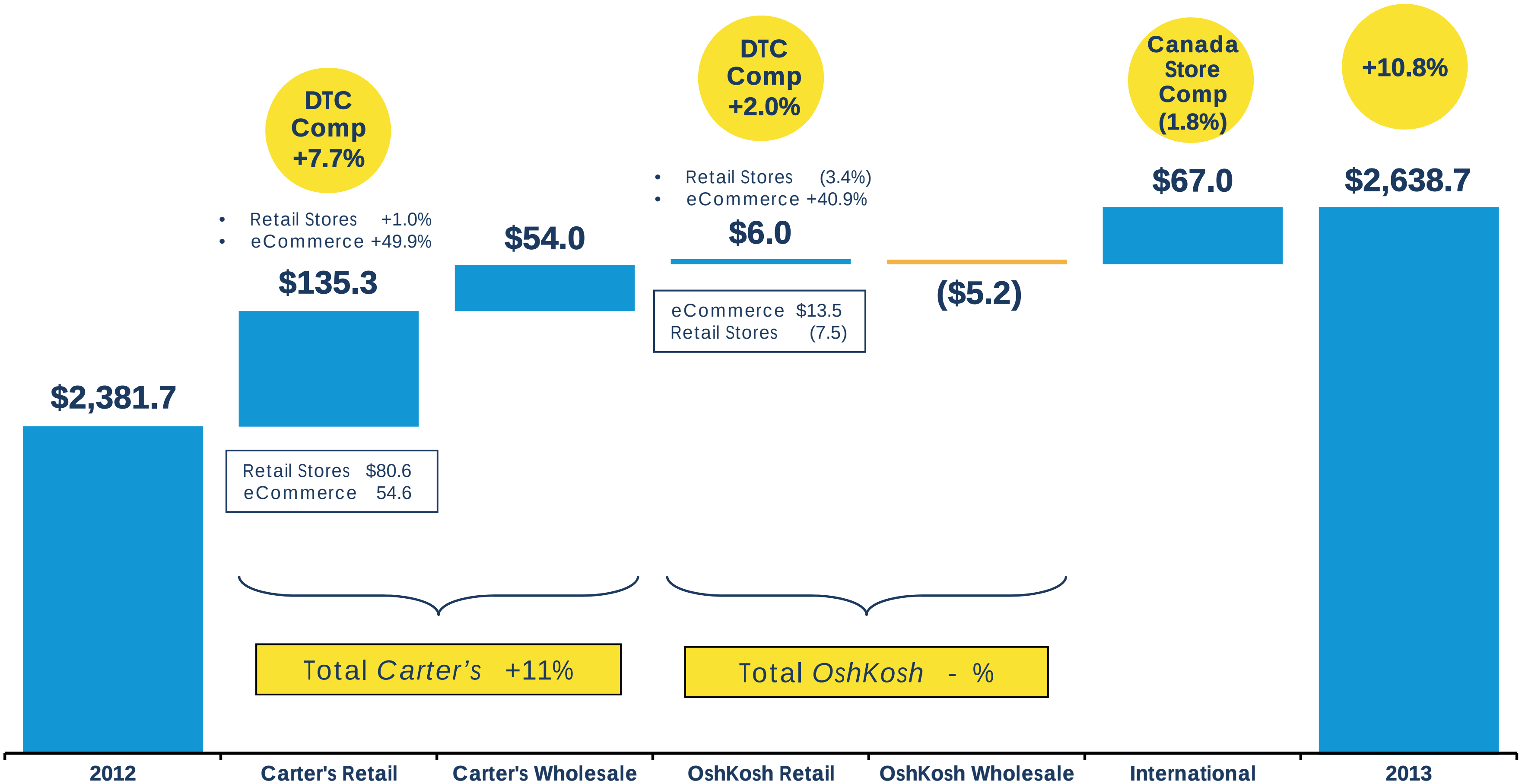
$ in millions



Growth vs. 2012	+16.5%	+5.5%	+2.1%	(6.5%)	+30.7%	+10.8%

Note: Results may not be additive due to rounding.

Fiscal 2013 Adjusted Results*

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$ in millions, except EPS

	2013	% of Sales	2012	% of Sales	Fav/ (Unfav)
Net sales	**$2,638.7**		$2,381.7		**11%**
Gross profit	**1,096.4**	*41.6%*	937.9	*39.4%*	**17%**
Adjusted SG&A*	**813.9**	*30.8%*	700.1	*29.4%*	**(16%)**
Royalty income	**(37.3)**	*(1.4%)*	(37.2)	*(1.6%)*	**0%**
Adjusted operating income*	**319.8**	*12.1%*	275.1	*11.5%*	**16%**
Interest and other, net	**14.7**	*0.6%*	6.6	*0.3%*	**(123%)**
Income taxes	**108.6**	*4.1%*	97.8	*4.1%*	**(11%)**
Adjusted net income*	**$196.5**	*7.4%*	$170.7	*7.2%*	**15%**
Adjusted diluted EPS*	**$3.37**		$2.85		**18%**
Weighted average shares outstanding	**57.5**		59.1		**3%**
Adjusted EBITDA*	**$368.2**	*14.0%*	$312.9	*13.1%*	**18%**

** Results are stated on an adjusted basis; see reconciliation to GAAP on pages 22 & 24.*
Note: Results may not be additive due to rounding.

Fiscal Year 2013 Adjusted Business Segment Performance

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$ in millions

	Net Sales			Adjusted Operating Income (Loss)			Adjusted Operating Margin	
	2013	2012	$ Growth	2013	2012	$ Growth	2013	2012
Carter's Wholesale *(a)*	**$1,035**	**$981**	**$54**	**$186**	**$173**	**$13**	**17.9%**	**17.6%**
Carter's Retail *(b)*	**954**	**819**	**135**	**181**	**146**	**35**	**19.0%**	**17.8%**
Total Carter's	$1,990	$1,800	$189	$367	$319	$48	18.4%	17.7%
OshKosh Wholesale	**$75**	**$80**	**($5)**	**$10**	**$4**	**$6**	**13.1%**	**5.1%**
OshKosh Retail *(b)*	**289**	**283**	**6**	**(1)**	**(8)**	**6**	**(0.5%)**	**(2.7%)**
Total OshKosh	$364	$363	$1	$8	($4)	$12	2.3%	(1.0%)
Adjusted International *(c)(d)*	**$285**	**$218**	**$67**	**$48**	**$47**	**$1**	**16.7%**	**21.5%**
Total before corporate expenses	$2,639	$2,382	$257	$423	$362	$61	16.0%	15.2%
Adjusted corporate expenses *(d)*				**(103)**	**(87)**	**(16)**	**(3.9%)**	**(3.6%)**
Total, as adjusted *(d)*	**$2,639**	**$2,382**	**$257**	**$320**	**$275**	**$45**	**12.1%**	**11.5%**

(a) Includes U.S. wholesale sales of *Carter's, Child of Mine, Just One You*, and *Precious Firsts.*
(b) Includes U.S. retail stores and eCommerce results.
(c) Includes international retail, eCommerce and wholesale sales. Adjusted operating income includes international licensing income.
(d) See reconciliation of reported (GAAP) results to adjusted results.

** Results are stated on an adjusted basis; see reconciliation to GAAP on page 24.*
Note: Results may not be additive due to rounding.

Balance Sheet and Cash Flow

$ in millions

Balance Sheet
(at Q4 end)

	2013	2012
Cash	$286.5	$382.2
Accounts Receivable	193.6	168.0
Inventory	417.8	349.5
Accounts Payable	164.0	149.6
Long-term debt	586.0	186.0

Cash Flow
(Fiscal Year)

	2013	2012
Operating Cash Flow	$209.7	$278.6
Capital Expenditures	(182.5)	(83.4)
Free Cash Flow	$27.2	$195.2

- **Strong liquidity**
  - $287 million cash on hand
  - $179 million revolver availability
- **Accounts receivable include $18 million tenant allowance for new corporate headquarters**
- **Inventory increase reflects business growth and product cost increases; units +15% at year-end**
- **Solid cash flow from operations in 2013**
- **CapEx reflects growth and infrastructure investments, including:**
  - U.S. / International retail stores
  - New multi-channel distribution center
  - Technology initiatives
  - New Atlanta headquarters facility
- **Completed $400 million senior note offering in August 2013 (8 year term, 5.25% interest)**
- **Returned $482 million to shareholders in 2013**
  - $454 million in share repurchases; retired 5.4 million shares, or 9% of shares outstanding*
  - $28 million in dividends
- **$267 million remaining under share repurchase authorizations**

**Comprised of $54 million in open market purchases (0.8 million shares) and a $400 million Accelerated Share Repurchase Program (ASR). ASR settlements include 4.6 million shares in Q3 2013 and 1.0 million shares in Q1 2014.*
Note: Results may not be additive due to rounding.

Business Segment Performance

Fourth Quarter Adjusted Business Segment Performance*

$ in millions

	Net Sales			Adjusted Operating Income (Loss)			Adjusted Operating Margin	
	2013	2012	$ Growth	2013	2012	$ Growth	2013	2012
Carter's Wholesale *(a)*	**$272**	**$262**	**$10**	**$47**	**$44**	**$4**	**17.4%**	**16.6%**
Carter's Retail *(b)*	**295**	**255**	**40**	**61**	**52**	**8**	**20.5%**	**20.5%**
Total Carter's	$567	$517	$50	$108	$96	$12	19.0%	18.6%
OshKosh Wholesale	**$20**	**$18**	**$2**	**$2**	**$1**	**$1**	**9.1%**	**5.2%**
OshKosh Retail *(b)*	**96**	**89**	**7**	**4**	**6**	**(1)**	**4.3%**	**6.2%**
Total OshKosh	$116	$107	$9	$6	$6	($1)	5.1%	6.0%
Adjusted International *(c)(d)*	**$86**	**$65**	**$21**	**$18**	**$15**	**$3**	**20.5%**	**23.3%**
Total before corporate expenses	$770	$689	$80	$132	$118	$14	17.1%	17.1%
Adjusted corporate expenses *(d)*				**(37)**	**(32)**	**(5)**	**(4.8%)**	**(4.6%)**
Total, as adjusted *(d)*	**$770**	**$689**	**$80**	**$94**	**$86**	**$9**	**12.3%**	**12.5%**

(a) Includes U.S. wholesale sales of *Carter's*, *Child of Mine*, *Just One You*, and *Precious Firsts*.
(b) Includes U.S. retail stores and eCommerce results.
(c) Includes international retail, eCommerce and wholesale sales. Adjusted operating income includes international licensing income.
(d) See reconciliation of reported (GAAP) results to adjusted results.

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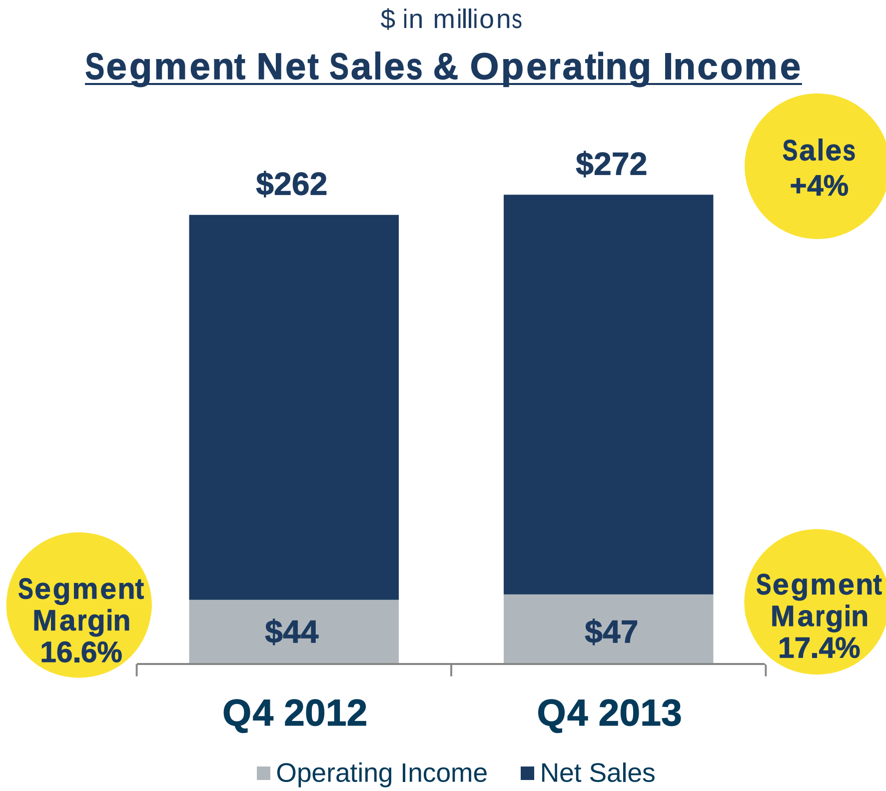
Fourth Quarter Highlights – *Carter's* Wholesale



- Net sales increase principally driven by growth in the *Carter's* brand
- Fall 2013 over-the-counter selling at top accounts up mid single digits vs. LY
- Segment margin improvement reflects lower marketing spend and performance based compensation provisions
- 2014 net sales outlook up low single digits
  - Spring 2014 bookings up mid single digits
  - Fall 2014 bookings planned down mid single digits; good growth across most major customers

Fourth Quarter Highlights – *Carter's* Retail

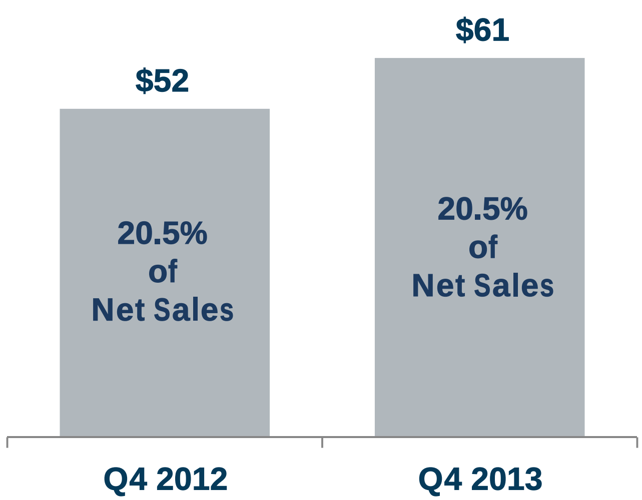
DTC Comp +7.3%

$ in millions

Segment Net Sales

Sales +16%

Segment Operating Income



Retail Stores

- Comp sales (0.2%) vs. +5.2% LY
  - Lower store traffic offset by conversion performance
  - Brand stores comped positively in the quarter
  - Drive-to outlet stores comped down
- Opened 21 new stores in Q4; 65 openings, 2 closures YTD
- Q4 ending store count: 476*
  - 291 Brand
  - 185 Outlet

eCommerce

- Continued strong eCommerce growth, +48%
- Q4 net sales 19% of retail segment sales
- eCommerce operating margin >20%

Segment Operating Income

- Maintained segment margin vs. LY despite challenging retail environment

** Includes 24 Side-by-Side format stores.*

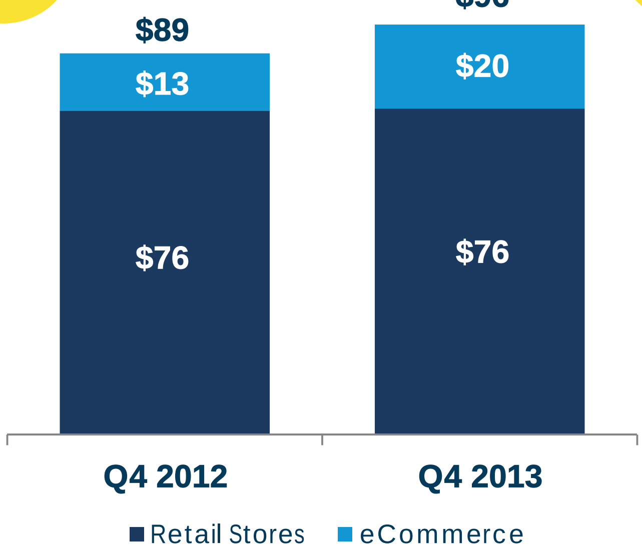
Fourth Quarter Highlights – *OshKosh* Retail

DTC Comp +5.5%

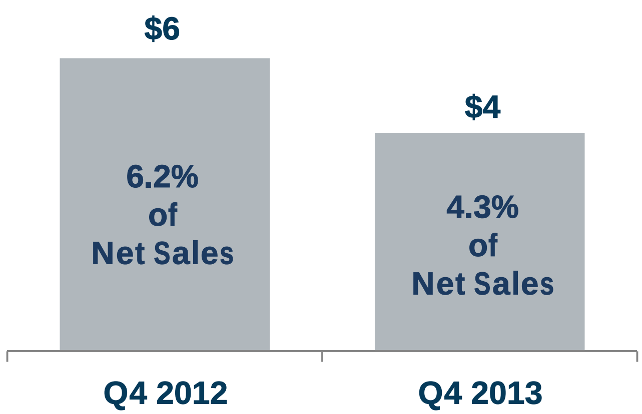
$ in millions

Segment Net Sales

Sales +7%



Segment Operating Income



Retail Stores

- Comp sales decline of 2.1% vs. decline of 6.2% LY
  - Lower store traffic but strong conversion performance
  - Brand stores and indoor outlet mall stores comped positively
  - Drive-to outlet locations comped down
- Opened 11 new stores in Q4; 18 openings, 5 closures YTD
- Side-by-side stores initial results are positive
- Q4 ending store count: 181*
  - 31 Brand
  - 150 Outlet

eCommerce

- Continued strong eCommerce growth, +47%
- Q4 net sales 21% of retail segment sales

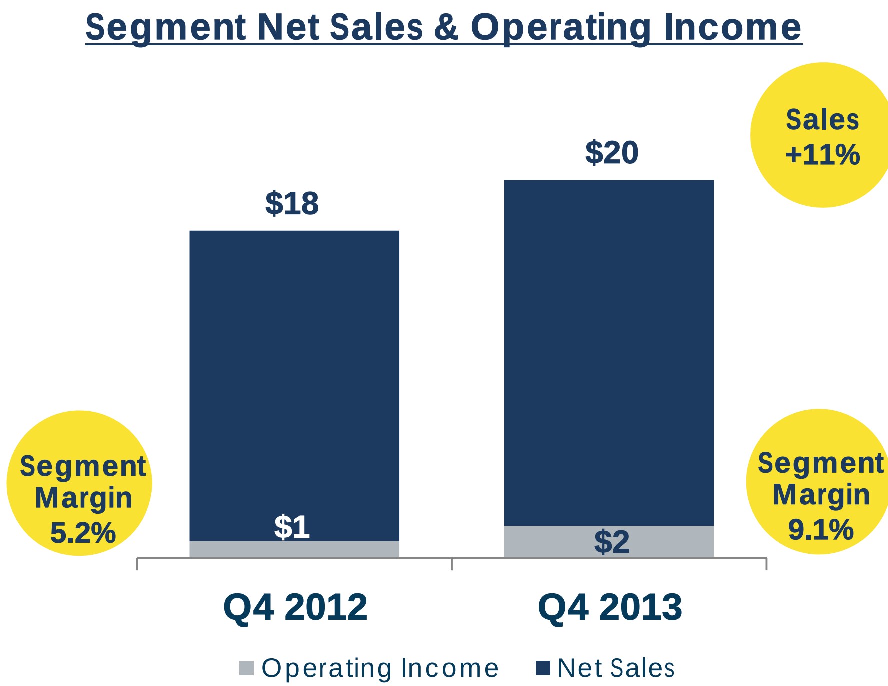
Segment Operating Income

- Segment margin affected by higher costs associated with opening new stores and greater promotional activity vs. LY

** Includes 24 Side-by-Side format stores. 17 of the 18 stores opened in 2013 were in the Side-by-Side format.*

Fourth Quarter Highlights – *OshKosh* Wholesale

$ in millions

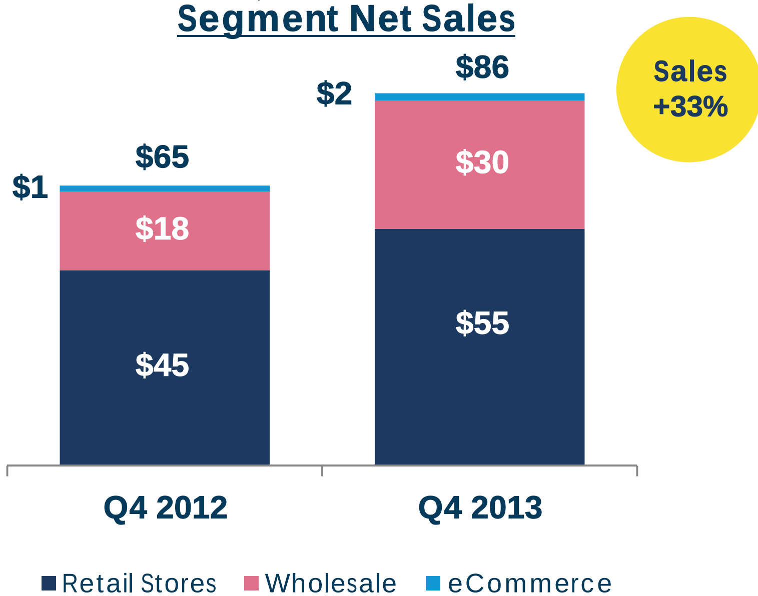


- Q4 sales +11%; full year 2013 sales (7%)
- Segment profit increase reflects improved gross margin and lower spending
- Spring / Fall 2014 bookings planned down mid-teens

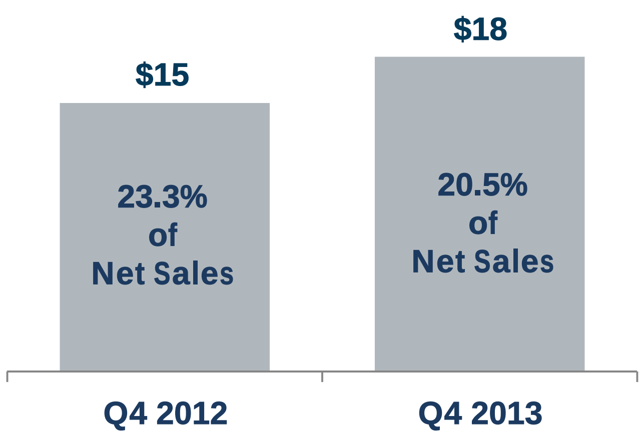
Fourth Quarter Highlights – International*

$ in millions

Segment Net Sales



Segment Operating Income



** Results are stated on an adjusted basis; see reconciliation to GAAP on page 21.*
Note: Results may not be additive due to rounding.

Segment Results

- Net sales +33%
  - Solid growth in wholesale across multiple regions and Canadian retail store business
  - FX impacted sales by ($3.5) million, or 5%
- Segment operating income +17% vs. LY

Retail Stores

- Canada
  - Total store comp +0.4%
    - *Carter's / OshKosh* co-branded comp +0.7%
    - Bonnie Togs comparable vs. LY
  - Opened 6 new stores in Q4; 21 openings, 1 closure YTD
  - Q4 ending store count: 102 (69 co-branded)
  - Launching eCommerce in 2014
- Japan
  - Q4 net sales $3.8 million
  - Expect substantial exit of operations by end of Q1 2014

Outlook

Fiscal Year 2014 (53 week year)

- Net sales growth of approximately 8% to 10%
- Adjusted EPS growth of approximately 12% to 15% (vs. $3.37 LY)
- New retail stores:
  - *Carter's* 60
  - *OshKosh* 24
  - Canada 22
- CapEx $100 to $110 million
- Operating Cash Flow $225 to $250 million
- Free Cash Flow $115 to $150 million

Q1 2014

- Net sales growth of approximately 8% to10%
- Adjusted EPS decline of approximately 10% to 15% (vs. $0.79 LY)

Appendix

Fourth Quarter Reconciliation of Net Income Allocable to Common Shareholders

	Fiscal quarter ended	
	December 28, 2013	December 29, 2012
Weighted-average number of common and common equivalent shares outstanding:		
Basic number of common shares outstanding	53,777,662	58,344,635
Dilutive effect of equity awards	516,242	871,669
Diluted number of common and common equivalent shares outstanding	54,293,904	59,216,304

	Fiscal quarter ended			
	As reported on a GAAP Basis		As adjusted (a)	
$ in thousands, except EPS	December 28, 2013	December 29, 2012	December 28, 2013	December 29, 2012
Basic net income per common share:				
Net income	$42,748	$48,692	$56,160	$53,669
Income allocated to participating securities	(586)	(632)	(772)	(696)
Net income available to common shareholders	$42,162	$48,060	$55,388	$52,973
Basic net income per common share	$0.78	$0.82	$1.03	$0.91
Diluted net income per common share:				
Net income	$42,748	$48,692	$56,160	$53,669
Income allocated to participating securities	(581)	(625)	(766)	(689)
Net income available to common shareholders	$42,167	$48,067	$55,394	$52,980
Diluted net income per common share	$0.78	$0.81	$1.02	$0.89

(a) In addition to the results provided in this earnings release in accordance with GAAP, the Company has provided adjusted, non-GAAP financial measurements that present the information above excluding $13.4 million and $5.0 million in after-tax expenses from these results for the fourth quarter ending December 28, 2013 and December 29, 2012, respectively.

Note: Results may not be additive due to rounding.

Fourth Quarter Reconciliation of Reported to Adjusted Earnings

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$ in millions, except EPS

Fourth Quarter of Fiscal 2013	Gross Margin	% of sales	SG&A	% of sales	Operating Income	% of sales	Net Income	Diluted EPS	Segment Reporting: International Operating Income	% of segment net sales	Corporate Operating Expenses	% of total net sales
As reported (GAAP)	**$322.4**	*41.9%*	**$258.8**	*33.6%*	**$73.4**	*9.5%*	**$42.7**	**$0.78**	**$13.2**	*15.2%*	**($53.6)**	*(7.0%)*
Office consolidation costs *(a)*	-		(9.2)		9.2		5.8	0.11			9.2	
Revaluation of contingent consideration *(b)*	-		(0.5)		0.5		0.5	0.01	0.5			
Closure of distribution facility in Hogansville, GA	-		(0.9)		0.9		0.6	0.01			0.9	
Amortization of H.W. Carter and Sons tradenames	-		(6.3)		6.3		4.0	0.07			6.3	
Costs to exit retail operations in Japan	1.1		(3.0)		4.1		2.6	0.05	4.1			
	1.1		(20.0)		21.0		13.4	0.24	4.6		16.4	
As adjusted	**$323.5**	*42.0%*	**$238.9**	*31.0%*	**$94.4**	*12.3%*	**$56.2**	**$1.02**	**$17.7**	*20.5%*	**($37.1)**	*(4.8%)*

Fourth Quarter of Fiscal 2012	Gross Margin	% of sales	SG&A	% of sales	Operating Income	% of sales	Net Income	Diluted EPS	Segment Reporting: International Operating Income	% of segment net sales	Corporate Operating Expenses	% of total net sales
As reported (GAAP)	**$289.9**	*42.1%*	**$222.0**	*32.2%*	**$78.4**	*11.4%*	**$48.7**	**$0.81**	**$14.4**	*22.2%*	**($38.5)**	*(5.6%)*
Office consolidation costs *(a)*	-		($6.4)		6.4		4.0	0.07			6.4	
Revaluation of contingent consideration *(b)*	-		($0.7)		0.7		0.7	0.01	0.7			
Closure of distribution facility in Hogansville, GA	-		($0.4)		0.4		0.3	-			0.4	
	-		($7.5)		7.5		5.0	0.08	0.7		6.8	
As adjusted	**$289.9**	*42.1%*	**$214.6**	*31.1%*	**$85.9**	*12.5%*	**$53.7**	**0.89**	**$15.1**	*23.3%*	**($31.7)**	*(4.6%)*

(a) Costs related to consolidating our Shelton, Connecticut and Atlanta, Georgia offices, as well as certain functions from our other offices, in a new headquarters facility in Atlanta, GA.
(b) Revaluation of contingent consideration liability associated with the June 2011 acquisition of Bonnie Togs.

Note: Results may not be additive due to rounding.

Reconciliation of Net Income to Adjusted EBITDA

$ in millions

	Fiscal quarter ended		Fiscal year ended	
	December 28, 2013	December 29, 2012	December 28, 2013	December 29, 2012
Net income	$42.7	$48.7	$160.4	$161.2
Interest expense	6.8	1.3	13.4	6.8
Interest income	(0.1)	(0.1)	(0.7)	(0.2)
Tax expense	23.2	28.3	89.1	94.2
Depreciation and amortization	25.2	13.2	68.5	39.8
EBITDA	**$97.7**	**$91.5**	**$330.7**	**$301.8**
Adjustments to EBITDA				
Office consolidation costs *(a)*	$8.5	$5.2	$29.4	$5.3
Revaluation of contingent consideration *(b)*	0.5	0.7	2.8	3.6
Closure of distribution facility in Hogansville, GA	0.6	0.3	1.2	2.2
Costs to exit retail operations in Japan	4.1	-	4.1	0.0
Adjusted EBITDA	**$111.4**	**$97.8**	**$368.2**	**$312.9**

(a) Costs related to consolidating our Shelton, Connecticut and Atlanta, Georgia offices, as well as certain functions from our other offices, in a new headquarters facility in Atlanta, GA.
(b) Revaluation of contingent consideration liability associated with the June 2011 acquisition of Bonnie Togs.

Note: Results may not be additive due to rounding.

Fiscal Year 2013 Reconciliation of Net Income Allocable to Common Shareholders

	Fiscal year ended	
	December 28, 2013	December 29, 2012
Weighted-average number of common and common equivalent shares outstanding:		
Basic number of common shares outstanding	56,931,216	58,217,503
Dilutive effect of equity awards	590,951	851,684
Diluted number of common and common equivalent shares outstanding	57,522,167	59,069,187

	Fiscal year ended			
	As reported on a GAAP Basis		As adjusted (a)	
$ in thousands, except EPS	December 28, 2013	December 29, 2012	December 28, 2013	December 29, 2012
Basic net income per common share:				
Net income	$160,407	$161,150	$196,532	$170,717
Income allocated to participating securities	(2,144)	(2,095)	(2,634)	($2,219)
Net income available to common shareholders	$158,263	$159,055	$193,898	$168,498
Basic net income per common share	$2.78	$2.73	$3.41	$2.89
Diluted net income per common share:				
Net income	$160,407	$161,150	$196,532	$170,717
Income allocated to participating securities	(2,126)	(2,072)	(2,610)	(2,194)
Net income available to common shareholders	$158,281	$159,078	$193,922	$168,523
Diluted net income per common share	$2.75	$2.69	$3.37	$2.85

(a) In addition to the results provided in this earnings release in accordance with GAAP, the Company has provided adjusted, non-GAAP financial measurements that present the information above excluding $36.1 million and $9.6 million in after-tax expenses from these results for the fiscal year ending December 28, 2013 and December 29, 2012, respectively.

Note: Results may not be additive due to rounding.

Fiscal Year 2013 Reconciliation of Reported to Adjusted Earnings

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$ in millions, except EPS

Fiscal 2013	Gross Margin	% of sales	SG&A	% of sales	Operating Income	% of sales	Net Income	Diluted EPS	Segment Reporting: International Operating Income	% of segment net sales	Corporate Operating Expenses	% of segment net sales
As reported (GAAP)	**$1,095.4**	*41.5%*	**$868.5**	*32.9%*	**$264.2**	*10.0%*	**$160.4**	**$2.75**	**$40.6**	*14.2%*	**($151.5)**	*(5.7%)*
Office consolidation costs *(a)*	-		(33.3)		33.3		21.0	0.36			33.3	
Revaluation of contingent consideration *(b)*	-		(2.8)		2.8		2.8	0.05	2.8			
Closure of distribution facility in Hogansville, GA	-		(1.9)		1.9		1.2	0.02			1.9	
Amortization of H.W. Carter and Sons tradenames	-		(13.6)		13.6		8.6	0.15			13.6	
Costs to exit retail operations in Japan	1.1		(3.0)		4.1		2.6	0.04	4.1			
	1.1		(54.6)		55.7		36.1	0.62	6.9		48.7	
As adjusted	**$1,096.4**	*41.6%*	**$813.9**	*30.8%*	**$319.8**	*12.1%*	**$196.5**	**$3.37**	**$47.6**	*16.7%*	**($102.8)**	*(3.9%)*

Fiscal 2012	Gross Margin	% of sales	SG&A	% of sales	Operating Income	% of sales	Net Income	Diluted EPS	Segment Reporting: International Operating Income	% of segment net sales	Corporate Operating Expenses	% of segment net sales
As reported (GAAP)	**$937.9**	*39.4%*	**$713.2**	*29.9%*	**$262.0**	*11.0%*	**$161.2**	**$2.69**	**$43.4**	*19.9%*	**($96.3)**	*(4.0%)*
Office consolidation costs *(a)*	-		(6.4)		6.4		4.0	0.07			6.4	
Revaluation of contingent consideration *(b)*	-		(3.6)		3.6		3.6	0.06	3.6			
Closure of distribution facility in Hogansville, GA	-		(3.1)		3.1		1.9	0.03			3.1	
	-		(13.1)		13.1		9.6	0.16	3.6		9.5	
As adjusted	**$937.9**	*39.4%*	**$700.1**	*29.4%*	**$275.1**	*11.5%*	**$170.7**	**$2.85**	**$47.0**	*21.5%*	**($86.8)**	*(3.6%)*

(a) Costs related to consolidating our Shelton, Connecticut and Atlanta, Georgia offices, as well as certain functions from our other offices, in a new headquarters facility in Atlanta, GA.
(b) Revaluation of contingent consideration liability associated with the June 2011 acquisition of Bonnie Togs.

Note: Results may not be additive due to rounding.

Forward-looking Statements and Other Information

Results provided in this presentation are preliminary and unaudited. This presentation should be read in conjunction with the audio broadcast or transcript of the Company’s earnings call, held on February 26, 2014, which is available at www.carters.com. Also, this presentation contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 relating to the Company's future performance, including, without limitation, statements with respect to the Company's anticipated financial results for the first quarter of fiscal 2014 and fiscal year 2014, or any other future period, assessment of the Company's performance and financial position, and drivers of the Company's sales and earnings growth. Such statements are based on current expectations only, and are subject to certain risks, uncertainties, and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated, or projected. Factors that could cause actual results to materially differ include the risks of: losing one or more major customers or financial difficulties for one or more of our major customers; the Company's products not being accepted in the marketplace; changes in consumer preference and fashion trends; negative publicity; the Company failing to protect its intellectual property; the breach of the Company's consumer databases, systems or processes; incurring costs in connection with cooperating with regulatory investigations and proceedings; increased leverage, not being able to repay its indebtedness and being subject to restrictions on operations by the Company's debt agreements; increased production costs; deflationary pricing pressures; decreases in the overall level of consumer spending; disruptions resulting from the Company's dependence on foreign supply sources; the Company's foreign supply sources not meeting the Company's quality standards or regulatory requirements; disruptions in the Company's supply chain or in-sourcing capabilities resulting from sourcing through a single port or otherwise; the loss of the Company's principal product sourcing agent; increased competition in the baby and young children's apparel market; the Company being unable to identify new retail store locations or negotiate appropriate lease terms for the retail stores; the Company not adequately forecasting demand, which could, among other things, create significant levels of excess inventory; failure to achieve sales growth plans, cost savings, and other assumptions that support the carrying value of the Company's intangible assets; not attracting and retaining key individuals within the organization; failure to implement needed upgrades to the Company's information technology systems; disruptions resulting from the Company's transition of distribution functions to its new Braselton facility and not achieving planned efficiencies; being unsuccessful in expanding into international markets and failing to successfully manage legal, regulatory, political and economic risks of international operations, including maintaining compliance with world-wide anti-bribery laws; incurring substantial costs as a result of various claims or pending or threatened lawsuits; and the failure to declare future quarterly dividends. Many of these risks are further described in the most recently filed Quarterly Report on Form 10-Q and other reports filed with the Securities and Exchange Commission under the headings "Risk Factors" and "Forward-Looking Statements." All information is provided as of February 26, 2014. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.


thank you.