carter's, inc.

First Quarter 2019 Business Update

April 30, 2019

First Quarter 2019 Results (GAAP Basis)

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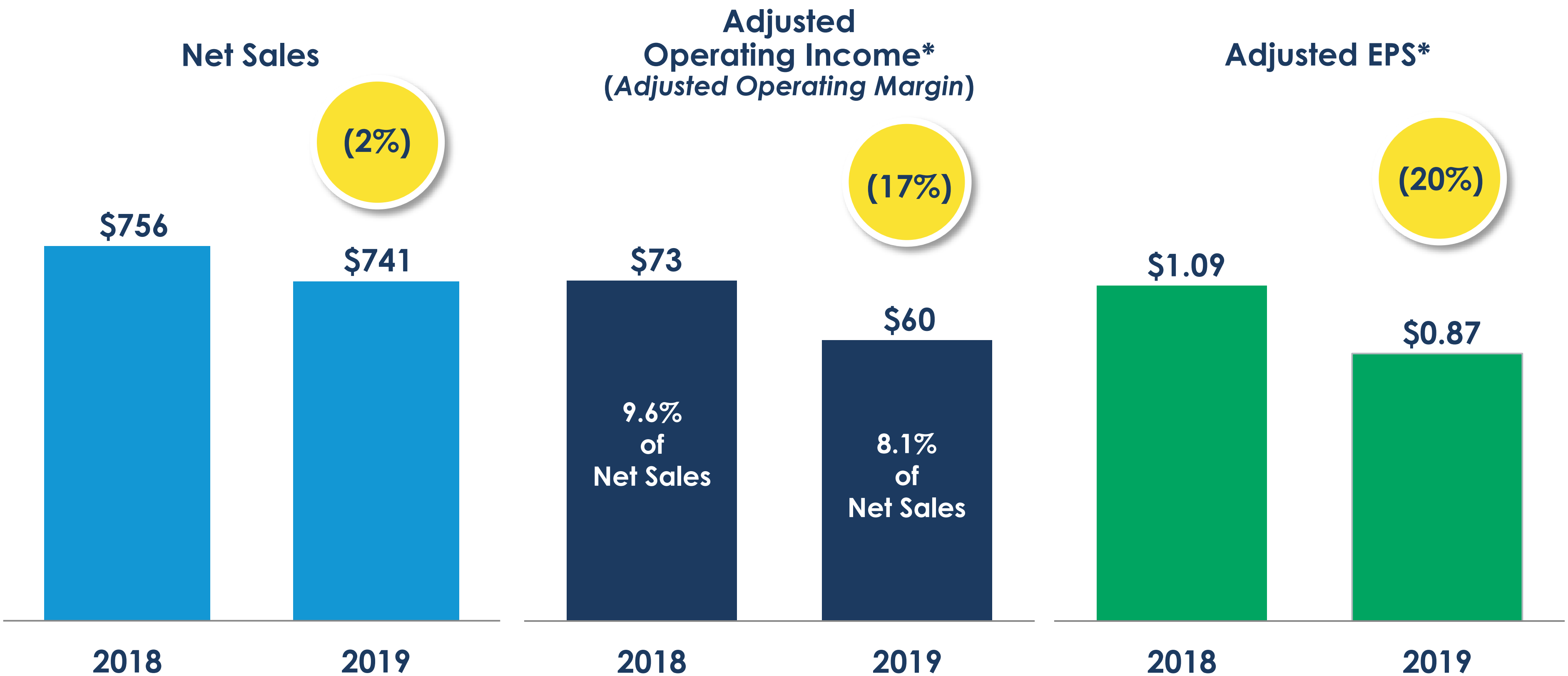
$ in millions, except EPS

	Q1 2019	% of Sales	Q1 2018	% of Sales	Increase / (Decrease)
Net sales	$741		$756		(2%)
Gross profit	316	42.6%	332	44.0%	(5%)
Royalty income	9	1.2%	8	1.1%	7%
SG&A	264	35.6%	280	37.1%	(6%)
Operating income	61	8.2%	60	8.0%	1%
Loss on extinguishment of debt	8	1.1%	-	0.0%	N/A
Interest and other, net	9	1.2%	7	1.0%	24%
Income before taxes	44	5.9%	53	7.0%	(17%)
Income taxes	9		10		(11%)
Net income	$34	4.7%	$42	5.6%	(19%)
Diluted EPS	$0.75		$0.89		(15%)
Weighted average shares outstanding	45		47		(4%)
EBITDA[1]	$77	10.4%	$83	10.9%	(7%)

[1] *Non-GAAP measure; see reconciliation to net income in appendix.*
Note: Results may not be additive due to rounding.

First Quarter 2019 Highlights

$ in millions, except EPS



- **Net sales (-2%)**
  - Stronger than planned Wholesale demand
  - Retail demand affected by later Easter holiday vs. LY, persistent cold weather, and Gymboree liquidation
- **Adjusted operating profit $60 million (vs. $73 million LY)**
  - Reflects lower sales, changes in channel and customer mix, partially offset by lower spending
- **Refinanced senior notes at attractive interest rate and terms**

**Results are stated on an adjusted basis; see reconciliation to GAAP in appendix.*

First Quarter 2019 Adjusted Results*

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$ in millions, except EPS

	Q1 2019	% of Sales	Q1 2018	% of Sales	Increase / (Decrease)
Net sales	$741		$756		(2%)
Adjusted gross profit	314	42.3%	332	44.0%	(6%)
Royalty income	9	1.2%	8	1.1%	7%
Adjusted SG&A	262	35.4%	268	35.4%	(2%)
Adjusted operating income	60	8.1%	73	9.6%	(17%)
Interest and other, net	9	1.2%	7	1.0%	24%
Income before taxes	51	6.9%	65	8.6%	(22%)
Income taxes	12		13		(14%)
Adjusted net income	$40	5.3%	$52	6.9%	(24%)
Adjusted diluted EPS	$0.87		$1.09		(20%)
Weighted average shares outstanding	45		47		(4%)
Adjusted EBITDA	$84	11.3%	$95	12.6%	(12%)

**Results are stated as indicated on an adjusted basis, a non-GAAP presentation; see reconciliation to GAAP in appendix.*
Note: Results may not be additive due to rounding.

Balance Sheet and Cash Flow

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$ in millions

Balance Sheet (at Q1 end)

	2019	2018
Cash	$160	$180
Accounts Receivable	239	221
Inventory	520	479
Accounts Payable	108	116
Long-Term Debt	625	618
Operating Lease Liabilities[1]	844	-

Cash Flow (Q1)

	2019	2018
Operating Cash Flow	$37	$64
Capital Expenditures	(9)	(15)
Free Cash Flow[2]	$28	$49

Return of Capital (Q1)

	2019	2018
Share Repurchases	$40	$25
Dividends	23	21
Total	$63	$46

- **Refinanced high yield notes in Q1**
  - New $500 million, 5.625% senior notes (due 2027) replaced previous $400 million, 5.25% senior notes (due 2021)
  - Incremental proceeds used to pay down portion of outstanding revolver borrowings
  - Lease-adjusted leverage 2.5x[3]
- **Inventory +8% vs. LY**
  - Reflects planned Q2 demand (Easter shift), higher store count, and modest increase in product costs
- **Adopted new lease accounting standard[4] in 2019**
  - Leases recorded on balance sheet as right of use asset and lease liability
  - No material impact on consolidated income statement or statements of cash flows
- **Forecasting operating cash flow of $375 – $400 million for fiscal 2019**
- **Returned $63 million to shareholders through share repurchases and dividends in Q1 2019**

[1]Sum of current and long-term operating lease liabilities. [2]Non-GAAP measure. [3]Calculated pursuant to the terms of the Company's secured revolving credit facility. [4]Financial Accounting Standards Board's Accounting Standards Codification No. 842, Leases. Note: Results may not be additive due to rounding.

Business Segment Performance

First Quarter 2019
Adjusted Business Segment Performance*

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$ in millions

	Net Sales			Adjusted Operating Income*			Adjusted Operating Margin*	
	2019	2018	$ Growth	2019	2018	$ Growth	2019	2018
U.S. Retail (a)	**$377**	**$384**	**($7)**	**$24**	**$29**	**($5)**	**6.3%**	**7.6%**
U.S. Wholesale	**275**	**281**	**(5)**	**55**	**63**	**(8)**	**20.1%**	**22.4%**
International (b)	**89**	**91**	**(3)**	**3**	**4**	**(1)**	**3.2%**	**4.1%**
Total before corporate expenses	741	756	(15)	82	96	(14)	11.1%	12.7%
Corporate expenses				**(22)**	**(23)**	**1**	**(3.0%)**	**(3.1%)**
Total	**$741**	**$756**	**($15)**	**$60**	**$73**	**($12)**	**8.1%**	**9.6%**

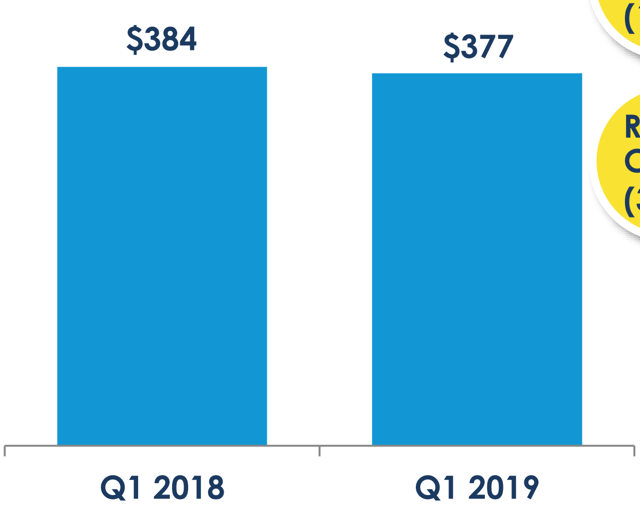
(a) Results include U.S. stores and eCommerce.
(b) Results include international stores, eCommerce, and wholesale.

**Results are stated on an adjusted basis, a non-GAAP presentation; see reconciliation to GAAP in appendix.*
Note: Results may not be additive due to rounding.

First Quarter Highlights – U.S. Retail

$ in millions

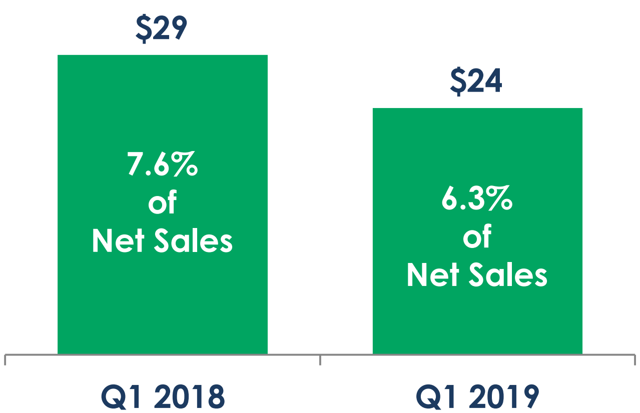
Segment Net Sales



Total Sales (1.7%)

Retail[1] Comp (3.7%)

Segment Adj. Operating Income*



Q1 Highlights

- **Q1 Retail comparable sales: -3.7%**
  - Decline in store sales partially offset by growth in eCommerce
  - Easter shift estimated comp impact: ~-2 points
  - Q1 comp also adversely affected by cold weather, Gymboree liquidation activity, timing of tax refunds, and lower international consumer demand
- **Business has improved meaningfully in Q2**
  - April comp up high-teens; April YTD comp +1.7%
- **Co-branded and mall stores – best performing store formats**
- **Portfolio optimization**
  - Opened 4 stores, closed 14 in Q1
  - Plan to open ~45 stores, close ~25 in 2019
- **Q1 adjusted operating margin 6.3% vs. 7.6% LY**
  - Reflects expense deleverage on lower sales and higher eCommerce shipping costs
- **Initiatives to strengthen consumers' shopping experience**
  - Buy online, pickup in store – successfully tested in Q1; national rollout H2 2019
  - Deliver from store – testing in H2 2019
- **Full year 2019 outlook**
  - Low single-digit growth in net sales
  - Improved profitability

[1]*Retail Comp is defined as the combination of store and eCommerce comparable sales.*
**Results are stated on an adjusted basis, a non-GAAP presentation; see reconciliation to GAAP in appendix.*

Co-branded Store – San Diego

Mall Store – Hicksville, NY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with you from the start™
50% off
America's favorite jammies
Where dreaming big is a part of their story.
sizes 6m-14.
"Good deal for 4 pieces. So comfortable!"
Rochelle, California
PURRMAID
WAVES
ALL DAY
WHALEY SLEEPY
destination dreamland
1-piece, 3-piece and the favorite 4-piece (gowns, slippers too!) at carters.com/pjshop
dreamy value
4-piece sets!
Monster
I'M FEELING BERRY SLEEPY
SWEET DREAMS
16 | Rewarding Moments® | Earn $10 on every $100 you spend
4-PIECE PJS (6m-14) SALE $17-21 MSRP $34-42
Buy online + ship free to any Carter's or OshKosh store | 17

OshKosh Summer Marketing

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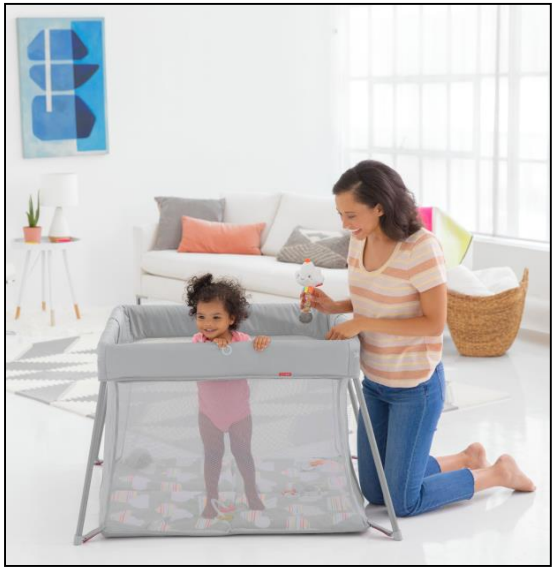
Skip Hop New Product Offerings



First Quarter Highlights – U.S. Wholesale

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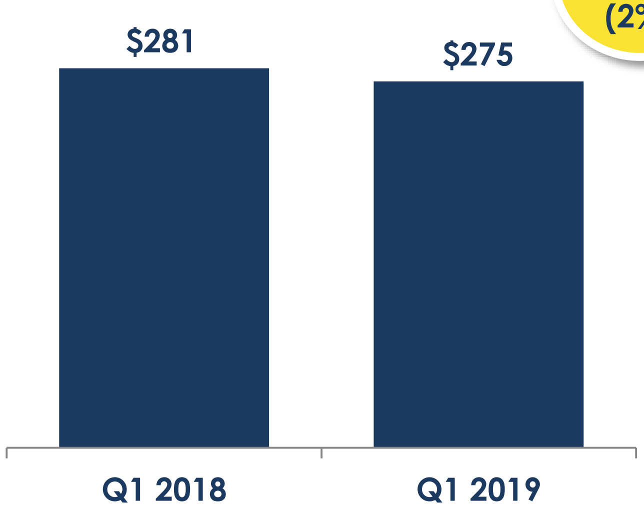
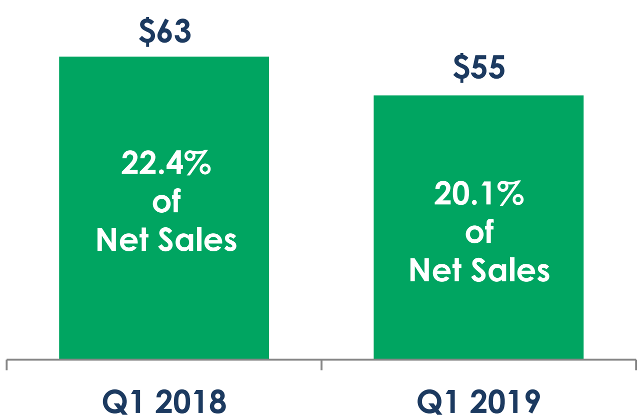
$ in millions

Segment Net Sales

Total Sales (2%)



Segment Adj. Operating Income*



Q1 Highlights

- **U.S. Wholesale segment net sales: -2%**
  - Stronger than planned demand for Spring product
  - Strong demand for exclusive brands
  - Year-over-year comparison affected by discontinued shipments to Toys "R" Us and Bon-Ton ($13 million in net sales Q1'18)
- **Q1 adjusted operating margin 20.1% vs. 22.4% LY**
  - Reflects changes in customer mix and higher inventory provisions, partially offset by lower bad debt expense
- **Key 2019 initiatives**
  - Partner with customers to ensure strong in-store presentation of our brands
  - Support customers' eCommerce growth strategies
  - Improve profit contribution of new growth initiatives (e.g., *Skip Hop*, *Simple Joys*)
  - Age Up brands by expanding assortments beyond core Baby offering
- **Full year 2019 outlook**
  - Low single-digit growth in net sales
  - Comparable earnings

**Results are stated on an adjusted basis, a non-GAAP presentation; see reconciliation to GAAP in appendix.*

Little Baby Basics Relaunch in May

First Quarter Highlights – International

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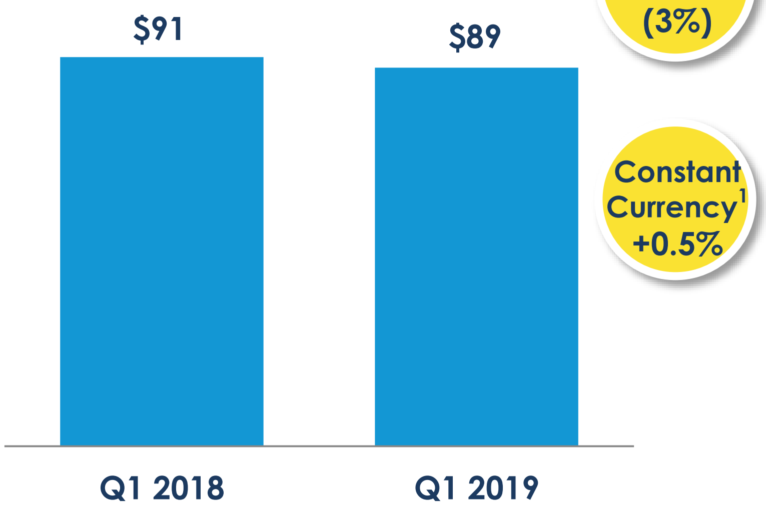
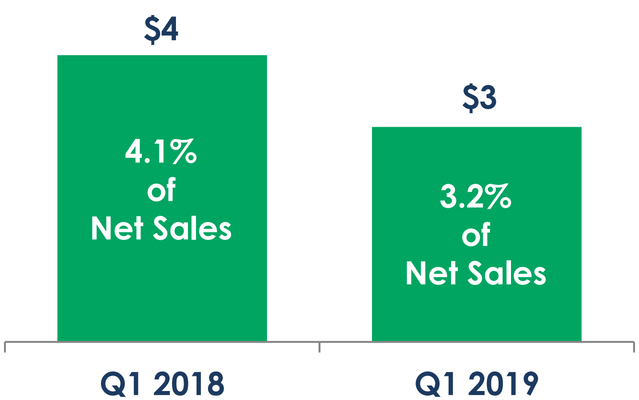
$ in millions

Segment Net Sales



Segment Adj. Operating Income*



Q1 Highlights

- **International segment Q1 net sales: -3%**
  - Unfavorable effect of foreign currency exchange rate movements (net sales +0.5% constant currency)
  - Increased demand in Mexico and other markets outside North America offset by lower sales in Canada and China
- **Canada**
  - Total retail comp sales declined mid-single digits; strong eCommerce comp (>30%)
  - Persistent cold weather and Easter shift adversely impacted store traffic
  - April retail comp up mid-teens; YTD comparable to LY
- **China**
  - Successfully transitioned to a licensing model with new partner in Q1
- **Q1 segment adjusted operating margin 3.2% vs. 4.1% LY**
  - Reflects lower contribution from Canada and elimination of operating loss in China
- **Full year 2019 outlook**
  - Low single-digit growth in net sales
  - Improved profitability

[1]See reconciliation to reported segment sales in appendix.
**Results are stated on an adjusted basis, a non-GAAP presentation; see reconciliation to GAAP in appendix.*

International Partner Store – Panama
(Opened March 2019)

International Expansion – Brazil

Highlights

- **Large and attractive market for children's apparel**
  - ~$3 billion (ages 0-7)
  - 3 million births annually
- **Significant demand from customers in Brazil in our U.S. stores and on carters.com**
- **Brazil is currently our largest international market outside of North America**
  - Brand presence in ~180 stores
  - eCommerce capabilities launched March 2019

Guidance

2019 Outlook
(Adjusted Basis)

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Q2 2019

- **Net sales growth of ~4% to 6%**
  - Growth in all segments
- **Adjusted diluted EPS comparable to last year (vs. $0.79 Q2 2018)[1]. Factors influencing profitability:**
  - Changes in wholesale customer mix
  - Timing of spending
  - Higher interest expense (senior note refinancing)

Fiscal Year 2019

- **Reaffirming prior guidance**
  - Net sales growth of ~1% to 2%
  - Adjusted diluted EPS growth of ~4% to 6% (vs. $6.29 in 2018[2])
- **Operating cash flow: ~$375 to $400 million**
- **CapEx: ~$85 million**

[1]There were no adjustments to Q2 2018 GAAP results; as of April 30, 2019 there are no known adjustments to Q2 2019 GAAP results. [2]See reconciliation to GAAP in appendix.

thank you.

appendix

First Quarter Reconciliation of Net Income Allocable to Common Shareholders

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	Fiscal Quarter Ended	
	March 30, 2019	March 31, 2018
Weighted-average number of common and common equivalent shares outstanding:		
Basic number of common shares outstanding	45,070,796	46,772,737
Dilutive effect of equity awards	300,239	618,678
Diluted number of common and common equivalent shares outstanding	45,371,035	47,391,415

	Fiscal Quarter Ended			
	As reported on a GAAP Basis		As adjusted (a)	
$ in thousands, except EPS	March 30, 2019	March 31, 2018	March 30, 2019	March 31, 2018
Basic net income per common share:				
Net income	$34,466	$42,469	$39,623	$51,956
Income allocated to participating securities	(291)	(325)	(337)	(400)
Net income available to common shareholders	$34,175	$42,144	$39,286	$51,556
Basic net income per common share	$0.76	$0.90	$0.87	$1.10
Diluted net income per common share:				
Net income	$34,466	$42,469	$39,623	$51,956
Income allocated to participating securities	(291)	(323)	(336)	(397)
Net income available to common shareholders	$34,175	$42,146	$39,287	$51,559
Diluted net income per common share	$0.75	$0.89	$0.87	$1.09

(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 per share data excluding the adjustments discussed in following slides. The Company has excluded $5.2 million and $9.5 million in after-tax expenses from these results for the fiscal quarters ended March 30, 2019 and March 31, 2018, respectively.

Note: Results may not be additive due to rounding.

First Quarter Reconciliation of Reported to Adjusted Earnings

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$ in millions, except EPS

									Segment Reporting							
First Quarter of Fiscal 2019	**Gross Margin**	*% of net sales*	**SG&A**	*% of net sales*	**Operating Income**	*% of net sales*	**Net Income**	**Diluted EPS**	**U.S. Retail Operating Income**	*% of segment net sales*	**U.S. Wholesale Operating Income**	*% of segment net sales*	**International Operating Income**	*% of segment net sales*	**Corporate Operating Expenses**	*% of total net sales*
As reported (GAAP)	**$315.9**	*42.6%*	**$263.7**	*35.6%*	**$60.8**	*8.2%*	**$34.5**	**$0.75**	**$23.9**	*6.3%*	**$55.5**	*20.1%*	**$5.0**	*5.6%*	**($23.6)**	*(3.2%)*
Debt extinguishment loss *(b)*	-		-		-		6.0	0.13	-		-		-		-	
Organizational restructuring costs *(c) (d)*	-		(1.6)		1.6		1.3	0.03	-		-		-		1.6	
China business model change *(e)*	(2.1)		-		(2.1)		(2.1)	(0.05)	-		-		(2.1)		-	
As adjusted *(a)*	**$313.8**	*42.3%*	**$262.0**	*35.4%*	**$60.3**	*8.1%*	**$39.6**	**$0.87**	**$23.9**	*6.3%*	**$55.4**	*20.1%*	**$2.9**	*3.2%*	**($21.9)**	*(3.0%)*

									Segment Reporting							
First Quarter of Fiscal 2018	**Gross Margin**	*% of net sales*	**SG&A**	*% of net sales*	**Operating Income**	*% of net sales*	**Net Income**	**Diluted EPS**	**U.S. Retail Operating Income**	*% of segment net sales*	**U.S. Wholesale Operating Income**	*% of segment net sales*	**International Operating Income**	*% of segment net sales*	**Corporate Operating Expenses**	*% of total net sales*
As reported (GAAP)	**$332.5**	*44.0%*	**$280.2**	*37.1%*	**$60.3**	*8.0%*	**$42.5**	**$0.89**	**$29.5**	*7.7%*	**$50.3**	*17.9%*	**$3.8**	*4.1%*	**($23.2)**	*(3.1%)*
Customer bankruptcy charges *(c) (f)*	-		(12.8)		12.8		9.8	0.20	-		12.8		-		-	
Store restructuring costs *(c) (g)*	-		0.4		(0.4)		(0.3)	(0.01)	(0.4)		-		-		-	
As adjusted *(a)*	**$332.5**	*44.0%*	**$267.8**	*35.4%*	**$72.7**	*9.6%*	**$52.0**	**$1.09**	**$29.1**	*7.6%*	**$63.0**	*22.4%*	**$3.8**	*4.1%*	**($23.2)**	*(3.1%)*

(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 gross margin, SG&A, operating income, net income, and net income on a diluted share basis excluding the adjustments discussed below. The Company believes these adjustments provide a meaningful comparison of the Company's results and afford investors a view of what management considers to be the Company's core performance. The adjusted, non-GAAP financial measurements included in this earnings release should not be considered as an alternative to net income or as any other measurement of performance derived in accordance with GAAP. The adjusted, non-GAAP financial measurements are presented for informational purposes only and are not necessarily indicative of the Company's future condition or results of operations.

(b) Related to the redemption of the $400 million aggregate principal amount of senior notes due 2021 in March 2019 that were previously issued by a wholly-owned subsidiary of the Company.

(c) The difference between the impacts on operating income and net income represents the income taxes related to the adjustment item (calculated using the applicable tax rate of the underlying jurisdiction).

(d) Costs associated with severance as a result of an organizational restructuring.

(e) Net costs associated with transitioning to a full licensing model in China.

(f) Related to the Toys "R" Us bankruptcy.

(g) Insurance recovery associated with unusual storm-related store closures.

Note: Results may not be additive due to rounding.

Fiscal 2018 Reconciliation of Reported to Adjusted Earnings

$ in millions, except EPS

									Segment Reporting							
Fiscal 2018	**Gross Margin**	*% of net sales*	**SG&A**	*% of net sales*	**Operating Income**	*% of net sales*	**Net Income**	**Diluted EPS**	**U.S. Retail Operating Income**	*% of segment net sales*	**U.S. Wholesale Operating Income**	*% of segment net sales*	**International Operating Income**	*% of segment net sales*	**Corporate Operating Expenses**	*% of total net sales*
As reported (GAAP)	**$1,497.5**	*43.3%*	**$1,145.0**	*33.1%*	**$391.4**	*11.3%*	**$282.1**	**6.00**	**$224.8**	*12.1%*	**$224.2**	*19.0%*	**$39.3**	*9.1%*	**($96.8)**	*(2.8%)*
Customer bankruptcy charges, net *(b) (c)*	-		(10.9)		10.9		8.3	0.18	-		10.9		-		-	
China business model change *(d)*	3.9		(1.4)		5.3		5.3	0.11	-		-		5.3		-	
Store restructuring costs *(b) (e)*	-		0.4		(0.4)		(0.3)	(0.01)	(0.4)		-		-		-	
As adjusted *(a)*	**$1,501.4**	*43.4%*	**$1,133.1**	*32.7%*	**$407.3**	*11.8%*	**$295.4**	**6.29**	**$224.4**	*12.1%*	**$235.1**	*19.9%*	**$44.6**	*10.4%*	**($96.8)**	*(2.8%)*

(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 gross margin, SG&A, operating income, net income, and net income on a diluted share basis excluding the adjustments discussed below. The Company believes these adjustments provide a meaningful comparison of the Company's results and afford investors a view of what management considers to be the Company's core performance. The adjusted, non-GAAP financial measurements included in this earnings release should not be considered as an alternative to net income or as any other measurement of performance derived in accordance with GAAP. The adjusted, non-GAAP financial measurements are presented for informational purposes only and are not necessarily indicative of the Company's future condition or results of operations.
(b) The difference between the impacts on operating income and net income represents the income taxes related to the adjustment item (calculated using the applicable tax rate of the underlying jurisdiction).
(c) Related to the Toys "R" Us bankruptcy.
(d) Net costs associated with transitioning to a full licensing model in China.
(e) Insurance recovery associated with unusual storm-related closures.

Note: Results may not be additive due to rounding.

Reconciliation of Net Income to Adjusted EBITDA

$ in millions

	Fiscal Quarter Ended		Four Fiscal Quarters Ended
	March 30, 2019	March 31, 2018	March 30, 2019
Net income	$34.5	$42.5	$274.1
Interest expense	9.6	8.0	36.2
Interest income	(0.2)	(0.2)	(0.6)
Tax expense	9.3	10.4	72.8
Depreciation and amortization	23.6	22.1	91.2
EBITDA	**$76.7**	**$82.7**	**$473.6**
Adjustments to EBITDA			
Debt extinguishment loss *(a)*	$7.8	$ -	$7.8
China business model changes, net *(b)*	(2.1)	-	3.2
Organizational restructuring costs *(c)*	1.6	-	1.6
Store restructuring costs *(d)*	-	(0.4)	-
Customer bankruptcy charges, net *(e)*	-	12.8	(1.9)
Adjusted EBITDA	**$84.1**	**$95.2**	**$484.5**

(a) Related to the redemption of the $400 million aggregate principal amount of senior notes due 2021 in March 2019 that were previously issued by a wholly-owned subsidiary of the Company.
(b) Net costs associated with transitioning to a full licensing model in China.
(c) Costs associated with severance as a result of an organizational restructuring.
(d) Insurance recovery associated with unusual storm-related changes.
(e) Related to the Toys "R" Us bankruptcy.

Note: Results may not be additive due to rounding.

Store Count Data

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	Single-brand	Dual-brand			Dual-brand			
	U.S. Stand-alone Format	U.S. Side-by-Side Format	U.S. Co-branded Format	Total U.S. Retail	Canada Co-branded Format	Mexico [1]	Total International	Total Consolidated Retail Stores
Store count at March 31, 2018	**553**	**159**	**106**	**818**	**179**	**42**	**221**	**1,039**
Openings	5	3	42	50	10	-	10	60
Closings	(31)	(3)	-	(34)	(2)	-	(2)	(36)
Conversions to dual-brand formats	(10)	1	9	-	-	-	-	-
Store count at March 30, 2019	**517**	**160**	**157**	**834**	**187**	**42**	**229**	**1,063**

[1]*Includes single brand and co-branded formats.*

Constant Currency Reconciliation

$ in millions

	Fiscal Quarter Ended					
	Reported Net Sales March 30, 2019	Impact of Foreign Currency Translation	Constant-Currency Net Sales March 30, 2019	Reported Net Sales March 31, 2018	Reported Net Sales % Change	Constant-Currency Net Sales % Change
Consolidated net sales	$741.1	($3.0)	$744.1	$755.8	(1.9%)	(1.5%)
International segment net sales	$88.6	($3.0)	$91.7	$91.2	(2.8%)	0.5%

The Company evaluates its net sales on both an "as reported" and a "constant currency" basis. The constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates that occurred between the comparative periods. Constant currency net sales results are calculated by translating current period net sales in local currency to the U.S. dollar amount by using the currency conversion rate for the prior comparative period. The Company consistently applies this approach to net sales for all countries where the functional currency is not the U.S. dollar. The Company believes that the presentation of net sales on a constant currency basis provides useful supplemental information regarding changes in our net sales that were not due to fluctuations in currency exchange rates and such information is consistent with how the Company assesses changes in its net sales between comparative periods.

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 April 30, 2019 which is available at www.carters.com. 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 second quarter of fiscal 2019 and fiscal year 2019, or any other future period, assessments 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 not materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated, or projected. Certain of the risks and uncertainties that could cause actual results and performance to differ materially are described in the Company's most recently filed Annual Report on Form 10-K and other reports filed with the Securities and Exchange Commission from time to time under the headings "Risk Factors". Included among the risks and uncertainties that may impact future results are the risks of: financial difficulties for one or more of the Company's major customers, vendors, or licensees, or an overall decrease in consumer spending; our products not being accepted in the marketplace due to quality concerns, changes in consumer preference and fashion trends, or otherwise; losing one or more major customers, vendors, or licensees due to competition, inadequate quality of the Company's products, or otherwise; negative publicity, including as a result of product recalls or otherwise; a failure to protect the Company's intellectual property; a failure to meet regulatory requirements, including those relating to product quality and safety; extreme or unseasonable weather conditions; various types of litigation, including class action litigation brought under various consumer protection, employment, and privacy and information security laws; a breach of the Company's consumer databases, systems, or processes; deflationary pressures on our selling price and increases in production costs; unsuccessful expansion into international markets or failure to successfully manage legal, regulatory, political and economic risks of the Company's existing operations, including unexpected changes in regulatory requirements and maintaining compliance with worldwide anti-bribery laws; disruptions, slow-downs, or strikes in the Company's supply chain, including disruptions resulting from increases in the cost of raw materials or labor, foreign supply sources, the Company's distribution centers, or in-sourcing capabilities; failure to successfully integrate acquired businesses; fluctuations in foreign currency exchange rates; the imposition of new regulations relating to imports, tariffs, duties, or taxes; and an inability to obtain additional financing on favorable terms. The Company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.