



FRUIT OF LOOM®



A COLOURFUL HISTORY...

2

Fruit of the Loom was founded in 1851 by two brothers in Rhode Island, USA. The B.B and R. Knight Corporation opened its first mill and began producing quality cotton cloth and textiles.

Five years later the Fruit of the Loom brand name was born, inspired by paintings of fruit created by the daughter of one of the company's customers. In 1871 Fruit of the Loom became official and was registered as trademark number 418. This makes the company one of the world's oldest trademarks and also means it is older than Coca-Cola, the light bulb and even the humble paper bag.

With 160 years' experience in manufacturing quality textiles, Fruit of the Loom has grown to become one of the world's leading clothing brands.

...AND NOW STRONGER THAN EVER

3

Firm foundations from our past mean we're well equipped for the future.

In 2002 Fruit of the Loom was acquired by Berkshire Hathaway Group, chaired by one of the world's most renowned businessmen, Mr Warren Buffett. Being part of such an organisation provides financial security and a strong foundation on which we can build for the future.

More recently, Fruit of the Loom itself acquired the Russell Corporation, which includes a number of famous global brands such as Russell Athletic, Spalding and Brooks. The lingerie division of the VF Corporation, including highly-acclaimed lingerie brand Vanity Fair, was also acquired in recent years. Yet more evidence of Fruit's ongoing growth.

As a global company with over 28,000 employees worldwide, we are continuing to invest in our business as well as constantly expanding into new markets. This vision for the future ensures you will always receive the quality and service you would expect from one of the world's biggest clothing brands.

FIRM FOUNDATIONS IN EUROPE

INVESTING IN OUR FUTURE



Our roots may be in America, but Fruit of the Loom has been well established in Europe for over 30 years and our European business is at the heart of our international growth plans for the future.

Our distribution covers over 30 European countries in addition to our Export markets and we are now one of the continent's leading imprint brands.

Our European Headquarters is based in Telford, UK and we have a large

distribution centre in Kaiserslautern,
Germany. Today we have over 3,500
employees who service our European
division. Our senior management teams
are based across all major countries and
we have an extensive network of sales
managers dedicated to each market.
Over the years Fruit of the Loom has built
a strong network of wholesalers and
business partners throughout Europe to
ensure our customers continue to receive
the excellent service levels they have

come to expect.

Investment is fundamental to the continued growth of the Fruit of the Loom business, ensuring that we are at the forefront of technology and can always meet the growing demands of the market place.

Our state-of-the-art manufacturing plant in Morocco is just one example of our investment. The location and facility has been purposely designed and built to serve the European market.

We've invested over \$140 million into the total site, which is the size of 12 football pitches (330,000 square metres). The main building, at 0.5km in length, is the second largest single span building in the whole of Africa.

The challenge in building the plant was not just to build a manufacturing plant, but to build for our future and create a

facility which ensures our growth objectives are met. In addition to the impressive manufacturing plant, which is over 100,000 square metres, we also built and installed our own sub station, water treatment and water recycling plant, all of which have improved the local infrastructure. Our four sewing plants are located close to our manufacturing plant and are growing at an impressive rate. As part of our ongoing growth, we are continuing to invest in additional staff, machinery and infrastructure.

This huge investment into our European business has enabled us to realise our international growth objectives, which include expanding into new markets. These include the Middle East, Africa and Australasia, all of which offer significant growth opportunities for the company.

OUR PLANT IN MOROCCO



6



Fruit of the Loom has a long-standing tradition of manufacturing garments in its own state-of-the-art plants, and Europe is no exception. As one of the world's largest vertically integrated manufacturers, we completely control the production process from start to finish. From the receipt of the very best raw cotton, right through to the finished product. Such control from us means guaranteed quality for you.

Our manufacturing plant is home to a minimum of 63 spinning machines, over 220 knitting machines and 21 large capacity dye jets all of which enable us to produce in excess of 2.5 million* T-shirts per week. In addition, Sweats are also manufactured in house and all garments are manufactured solely for Fruit of the Loom and solely for our EMEAA business.

Thanks to our new manufacturing plant and its close proximity to Europe, our customers enjoy improved lead times and better service levels. However, in true Fruit of the Loom style, we're continuing to invest in the future development of our business and we see improved stock holding and increased service levels as being key to our continued success.

*information correct at time of going to print

NEW STANDARDS IN SERVICE





7



Artist's impression

A brand new 15,000m² distribution centre is under construction at our Moroccan manufacturing site.
The centre will hold 25 million garments in 2012, increasing our total combined stock holding across Europe to 50 million garments. This means that we can react even more quickly to changes in your demand.

In addition to the new distribution centre, we are undertaking a review of our routes to market and also adapting our internal systems, software and transport systems to ensure that we continue to meet the changing demands of the market place.

The new distribution facility also enables us to shorten lead times by offering our customers a direct delivery service.

GARMENTS DESIGNED FOR DECORATION

8

YOUR BRAND OF CHOICE



All Fruit of the Loom garments are designed for decoration and manufactured with the end user in mind. For example we use Belcoro® yarn in our in-house T-shirts and Sweats which produces a garment with better print production efficiencies. Our Sweats also feature covered zips for more complete printing capability.

Our product range has been specifically designed to meet the demands of

promotional markets. Therefore, our range encompasses styles for men, women and children to suit all levels of promotion, as well as work and schoolwear requirements. From T-shirts and Sweats to easy-care Polos and Shirts, we have a style for everyone. Each garment has also been specifically designed to meet European fit, styling and sizing needs.

At Fruit of the Loom, we always stay true to our brand values, offering great quality, essential leisure and workwear for a mass audience.

We cater for all needs across many price points, from our extensive collection of T-shirts to our easy-care Polos that are perfect for workwear and schoolwear.

Our 100% cotton Polos also make ideal leisurewear and are a perfect fit for corporate events, plus our Sweats cater for many needs, ranging from traditional styles through to fashionable Hoodies.

We remain fully focussed on the needs of the promotional, workwear and schoolwear markets. Our consistent product and colour range means you can order the garments you want now and in the future and always be guaranteed to get what you need.

FABRIC IS AT THE HEART OF EVERYTHING WE DO

PASS THE TEST WITH FLYING COLOURS

We pride ourselves in using the best fabrics in our quality garments.
This starts with the use of the finest raw cotton which is at the heart of our quality procedures. The majority of the cotton used comes from the USA.

Using the best quality raw materials, our manufacturing techniques also ensure that the fabric meets the requirements of the market. For example, our 100% cotton T-shirts are manufactured with a fine knit gauge for unbeatable printing performance.

Thanks to a revolutionary knitting technique, all of our Sweatshirts are manufactured with 100% cotton face which keeps the polyester at the back of the Sweat fabric and the cotton at the front. This gives unbeatable pilling performance and improved printability.

Complete control of the manufacturing process is only part of the story. All our fabrics and garments undergo rigorous in-house testing again and again.

All our tests conform to the highest British (BS), European (EN) and International standards (ISO). By testing in house we can continually make improvements and guarantee quality at every level. Established products are tested to ensure they continue to meet the needs of the end user. New products are tested to ensure they are fit for their intended purpose.

Garments are subjected to a wide range of tests including tensile/bursting strength, pilling, shrinkage and button strength. The same attention to detail applies to colour, which is controlled by automated dye dispensing systems ensuring amazing continuity. We then test rigorously for colour fastness as required for our Oeko Tex 100 certification.

All legislation with regard to clothing is closely monitored to ensure compliance, this is especially important with regard to childrenswear garments and all of our children's styles conform to latest EU legislation.





BELCORO® THE OBVIOUS CHOICE...

...FOR UNBEATABLE PRINTING



Any T-shirt is only as good as its yarn. That's why we only use the best – Belcoro®. This revolutionary yarn means you no longer have to compromise between a fabric's softness and its printability.

Belcoro® is a proprietary trademark of Oerlikon Schlafhorst, manufacturers of Autocoro automatic spinning machines. This state-of-the-art equipment is used throughout our Moroccan manufacturing plant to produce yarn for our T-shirts and Sweats.

Each garment's fabric type and yarn is tested to Belcoro® quality standards including yarn tensile strength, elongation and IPI value, plus fabric wash fastness and crocking fastness. The high quality of our Belcoro® fabrics is mainly attributed to the spinbox on the Autocoro spinning machines. The spinbox is manufactured using surgical steel, which ensures cotton fibres suffer no damage during the spinning process. This means yarns are far softer and stay softer for longer. They are more even, have fewer imperfections and less loose fibres standing out from the surface.

The result is a cleaner, more stable printing area, improved durability, better washing performance and less pilling. That means great garments for the wearer, improved productivity for printers and garment decorators.

As industry pioneers, we're proud to say that we're the only imprint brand that uses Belcoro®.



13

COLOURFUL T-SHIRTS FROM A GREEN PLANT

ETHICS AND ENVIRONMENT ARE IN EVERYTHING WE DO

It is important to us that we add real value to the environment, and to this aim, our Moroccan plant has been specifically designed to be highly energy efficient. All the service pipes are underground, saving us ceiling height and therefore reducing air conditioning.

Water is a precious resource in Morocco, so it was important that we invest in facilities and processes that improve the water supply for the local community. The innovative water treatment plant cleanses the water that we use in the manufacturing process so when it re-enters the local supply, it's never been cleaner. Up to 65% of the water used in the dyeing process is recycled.

The dye-house itself has a heat exchange system that keeps water at a constant temperature and vastly reduces the amount of energy needed to heat it.

Our commitment to open-end yarn manufacture also means that we use 30% less energy and produce 23% less wastage – vital when you consider that we have produced just under one billion garments in Morocco. This also reduces the burden on landfill by reducing bale wraps and packaging.

Every single one of our garments is Oeko-Tex Standard 100 approved. This certifies that the clothing contains no substances harmful to people or the environment. Achieving the highest standards is at the forefront of everything we do at Fruit of the Loom.

We have a stringent Code of Conduct that outlines our commitment to achieving those high standards in an ethical and environmentally friendly manner.

Our manufacturing plant is a great example of how we care for our employees and ensure that they are all treated within local employment legislation. In fact, we exceed the basic employment rights, as all our staff are paid above minimum wage and working hours don't exceed the maximum allowed. They are also given free dental and health care, and we respect religious beliefs and acknowledge religious festivals.

Our Code of Conduct applies not only to Fruit of the Loom, but also to our suppliers, distributors and business partners. We ensure that independent audits of all production facilities and third party suppliers are in compliance of our Code of Conduct.

The Fruit Code is more than a policy. It's a way of life.

15

