

**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): October 27, 2011

**Delta Apparel, Inc.**

(Exact name of registrant as specified in its charter)

Georgia

\_\_\_\_\_  
(State or Other Jurisdiction  
of Incorporation)

1-15583

\_\_\_\_\_  
(Commission File Number)

322 South Main Street, Greenville, South Carolina

\_\_\_\_\_  
(Address of principal executive offices)

58-2508794

\_\_\_\_\_  
(IRS Employer Identification No.)

29601

\_\_\_\_\_  
(Zip Code)

(864) 232-5200

\_\_\_\_\_  
(Registrant's Telephone Number  
Including Area Code)

Not Applicable

(Former name or former address, if changed since last report)

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 (see General Instruction A.2. below)

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- 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 October 27, 2011, Delta Apparel, Inc. ("the Company") issued a press release announcing its financial results for the first fiscal quarter ended October 1, 2011. A copy of the press release is attached as Exhibit 99.1 hereto, incorporated herein by reference and also made available through the Company's website at [www.deltaapparelinc.com](http://www.deltaapparelinc.com).

**Item 7.01. Regulation FD Disclosure.**

Robert W. Humphreys, Chairman and Chief Executive Officer, and Deborah H. Merrill, Vice President, Chief Financial Officer and Treasurer, will hold a conference call on Thursday, October 27, 2011, at 4:30 p.m. Eastern Time to discuss financial results and provide a business update. The conference call will be broadcast through the Company's website at [www.deltaapparelinc.com](http://www.deltaapparelinc.com). Investors may listen to the call by selecting the webcast link on the homepage of the website. A replay of the webcast will be available within one hour of the call and accessible at the above website through November 26, 2011.

The information in this Current Report on Form 8-K, including the exhibit, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release issued by Delta Apparel, Inc. on October 27, 2011. The information contained in the attached exhibit is unaudited and should be read in conjunction with Delta Apparel, Inc.'s annual and quarterly reports filed with the U.S. Securities and Exchange Commission.

**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.

DELTA APPAREL, INC.

Date: October 27, 2011

/s/ Deborah H. Merrill

Deborah H. Merrill

Vice President, Chief Financial Officer and Treasurer

---

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release issued by Delta Apparel, Inc. on October 27, 2011. The information contained in the attached exhibit is unaudited and should be read in conjunction with Delta Apparel, Inc.'s annual and quarterly reports filed with the U.S. Securities and Exchange Commission.

**Delta Apparel Reports Record First Quarter FY12 Results**  
**Revenue Increased 14.5% to a Record \$123.5 Million**  
**Earnings Increased 163.2% to \$0.50 per Diluted Share**

GREENVILLE, SC-October 27, 2011-Delta Apparel, Inc. (NYSE Amex: DLA) today reported financial results for the fiscal 2012 first quarter ended October 1, 2011.

First Quarter Highlights

- Net sales increased 14.5% to a record \$123.5 million.
- Gross margins improved 130 basis points to 25.3%.
- Operating profit improved to 5.4% of sales from 2.7% of sales in the prior year period.
- Net income increased 167.7% to \$4.4 million from \$1.6 million in the prior year period.
- Diluted EPS increased 163.2% to \$0.50 from \$0.19 in the prior year period.

Sales for the three months ended October 1, 2011 increased \$15.6 million to a record \$123.5 million. Each business unit contributed to the 14.5% organic sales growth in the quarter. Gross margins improved to 25.3% compared to 24.0% in the prior year first quarter, with margin expansion in both the branded and basics segments. Selling, general and administrative expenses were 19.9% of sales, an improvement of 130 basis points compared to 21.2% of sales in the prior year first quarter. The prior year included costs associated with the acquisition of The Cotton Exchange, expenses related to the start-up of Art Gun, and brand-marketing campaigns that were not repeated during the current year quarter. Interest expense increased \$0.3 million during the quarter compared to the prior year driven primarily from the higher working capital resulting from the significant rise in cotton costs. The Company's effective tax rate is 24% for the current year quarter, down from the prior year quarter of 30%, but consistent with the 23.6% effective tax rate for the 2011 fiscal year. Net income for the quarter ended October 1, 2011 was \$4.4 million, or \$0.50 per diluted share, compared to \$1.6 million, or \$0.19 per diluted share, in the prior year first quarter.

Robert W. Humphreys, Chairman and Chief Executive Officer, commented, "We just completed a strong first quarter to begin fiscal year 2012. Each operating division increased revenues, contributing to the 14.5% organic sales growth during the quarter. Demand for our brands, licensed properties and decorated merchandise continues to grow, which allows us to ship higher value product to our retail partners and directly to consumers through our e-commerce sites. Our manufacturing facilities are operating efficiently and we are leveraging our fixed costs on higher volumes to improve our profitability. We anticipate continued revenue growth in the upcoming quarters, although we expect our profitability to be negatively impacted

---

with our highest cost cotton flowing through cost of sales in our second and third fiscal quarters. Despite these less than ideal conditions, we expect to generate earnings growth in fiscal year 2012.”

### Branded Segment Review

Branded segment sales for the first quarter were \$70.9 million, a 21.5% increase from the prior year first quarter sales of \$58.4 million. Sales of vintage inspired tees through our Junkfood business and Salt Life® products drove the growth during the quarter, with Soffe and Art Gun also contributing to the revenue increase. Gross margin improvement, along with better leveraged selling, general and administrative costs, drove an increase in operating income to \$5.1 million, or 7.2% of sales, compared to \$2.8 million, or 4.8% of sales, in the prior year quarter.

### Basics Segment Review

The basics segment had sales of \$52.6 million for the quarter ended October 1, 2011, an increase of 6.2% compared to the prior year first quarter, driven by sales growth in both catalog products and private label programs. The revenue growth resulted from a 17.3% increase in average selling prices partially offset by a 9.5% decrease in unit sales. The first quarter of fiscal year 2012 continued the rollout of higher priced cotton in cost of sales; however, the Company expects that its highest cost cotton will flow through cost of sales during its second and third fiscal quarters. Higher selling prices, coupled with improved manufacturing results and the ability to leverage general and administrative expenses, resulted in operating income of \$1.6 million, or 3.0% of sales, compared to \$0.2 million, or 0.3% of sales, in the prior year first quarter.

### Stock Repurchases

During the first quarter of fiscal year 2012, the Company used \$1.5 million to repurchase 92,756 shares at an average price of \$15.73 per share. As of October 1, 2011, approximately \$7.0 million remained available for future stock repurchases pursuant to the Company's Stock Repurchase Program.

### Fiscal 2012 Guidance

The Company is maintaining its fiscal year 2012 outlook for sales and earnings. For the fiscal year ending June 30, 2012, the Company still expects net sales to be in the range of \$500 to \$520 million and earnings to be in the range of \$2.00 to \$2.15 per diluted share.

The Company continues to operate in a weak economy and faces challenging conditions as it manages through higher priced cotton and other inflationary pressures. Although the Company believes it has taken these risks, as well as other factors, into consideration in determining the guidance for fiscal year 2012, the significance of the challenges, many of which are outside of the Company's control, creates heightened risk

---

of earnings volatility during the fiscal year.

Mr. Humphreys concluded, “We are focused on maintaining our trend of annual sales and earnings growth in fiscal year 2012. We are facing short-term challenges as we navigate through the weak marketplace and historically high raw material costs. That said, we continue to be optimistic about Delta Apparel's many long-term opportunities. Our brands are well recognized by a broad consumer base and our creative talent remains consistent in developing new products that resonate well with consumers. We continue to be innovative in our manufacturing operations to lower our product costs while maintaining our high quality standards. We believe we have a strong foundation to support further revenue growth and earnings expansion to provide significant and sustained value for our shareholders.”

#### Conference Call

The Company will hold a conference call with senior management to discuss the financial results at 4:30 p.m. ET today. The Company invites you to join the call by dialing (719) 457-2705. A live webcast of the conference call will be available at [www.deltaapparelinc.com](http://www.deltaapparelinc.com). Please visit the website at least 15 minutes early to register for the teleconference webcast and download any necessary software. A replay of the call will be available through November 26, 2011. To access the telephone replay, participants should dial (858) 384-5517. The access code for the replay is: 1927342.

#### **About Delta Apparel, Inc.**

Delta Apparel, Inc., along with its operating subsidiaries, M. J. Soffe, LLC, Junkfood Clothing Company, To The Game, LLC, Art Gun, LLC and TCX, LLC, is an international design, marketing, manufacturing, and sourcing company that features a diverse portfolio of lifestyle branded activewear apparel and headwear, and produces high quality private label programs. The Company specializes in selling casual and athletic products across distribution tiers and in most store types, including specialty stores, boutiques, department stores, mid-tier and mass chains. From a niche distribution standpoint, the Company also has strong distribution at college bookstores and the U.S. military. The Company's products are made available direct-to-consumer on its websites at [www.soffe.com](http://www.soffe.com), [www.junkfoodclothing.com](http://www.junkfoodclothing.com), [www.saltlife.com](http://www.saltlife.com) and [www.deltaapparel.com](http://www.deltaapparel.com). Additional products can be viewed at [www.2thegame.com](http://www.2thegame.com) and [www.thecottonexchange.com](http://www.thecottonexchange.com). The Company's operations are located throughout the United States, Honduras, El Salvador, and Mexico, and it employs approximately 7,200 people worldwide. Additional information about the Company is available at [www.deltaapparelinc.com](http://www.deltaapparelinc.com).

*Statements and other information in this press release that are not reported financial results or other historical information are forward-looking statements subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995. These are based on our expectations and are necessarily dependent upon assumptions, estimates and data that we believe are reasonable and accurate but may be incorrect, incomplete or imprecise. Forward-looking statements are also subject to a number of business risks and uncertainties, any of which could cause actual results to differ materially from those set forth in or implied by the forward-looking statements. The risks and uncertainties include, among others, the general U.S and international economic conditions; the ability to grow, achieve synergies and realize the expected profitability of recent*

---

*acquisitions; the volatility and uncertainty of raw material, transportation and energy prices and the availability of these products and services; changes in consumer confidence, consumer spending, and demand for apparel products; the ability of our brands and products to meet consumer preferences within the prevailing retail environment; significant interruptions in our distribution network or information systems; the financial difficulties encountered by our customers and higher credit risk exposure; the competitive conditions in the apparel and textile industries; changes in environmental, tax, trade, employment and other laws and regulations; changes in the economic, political and social stability of our offshore locations; significant litigation in either domestic or international jurisdictions, the relative strength of the United States dollar as against other currencies; and other risks described from time to time in our reports filed with the Securities and Exchange Commission. Accordingly, any forward-looking statements do not purport to be predictions of future events or circumstances and may not be realized. Further, any forward-looking statements are made only as of the date of this press release and we do not undertake publicly to update or revise the forward-looking statements even if it becomes clear that any projected results will not be realized.*

Company Contact:

Deborah Merrill  
Chief Financial Officer  
(864) 232-5200 x6620

Investor Relations Contact:

Brendon Frey  
ICR, Inc.  
(203) 682-8200

---

SELECTED FINANCIAL DATA:

(In thousands, except per share amounts)

	Three Months Ended		
	Oct 1, 2011	Oct 2, 2010	
Net Sales	\$ 123,523	\$ 107,916	
Cost of Goods Sold	92,270	82,007	
Gross Profit	31,253	25,909	
Selling, General and Administrative	24,562	22,896	
Other (Income) Expense, Net	(7)	57	
Operating Income	6,698	2,956	
Interest Expense, Net	893	601	
Income Before Provision for Income Taxes	5,805	2,355	
Provision for Income Taxes	1,393	707	
Net Income	\$ 4,412	\$ 1,648	
Weighted Average Shares Outstanding			
Basic	8,450	8,523	
Diluted	8,760	8,780	
Net Income per Common Share			
Basic	\$ 0.52	\$ 0.19	
Diluted	\$ 0.50	\$ 0.19	
	Oct 1, 2011	Jul 2, 2011	Oct 2, 2010
Current Assets			
Cash	\$ 323	\$ 656	\$ 616
Receivables, Net	66,777	76,821	54,522
Inventories, Net	186,326	159,209	136,887
Prepays and Other Assets	4,392	4,059	3,697
Deferred Income Taxes	2,838	2,931	2,981
Total Current Assets	260,656	243,676	198,703
Noncurrent Assets			
Property, Plant & Equipment, Net	39,396	39,756	38,482
Goodwill and Other Intangibles, Net	24,065	24,217	25,285
Other Noncurrent Assets	3,994	4,216	3,212
Total Noncurrent Assets	67,455	68,189	66,979
Total Assets	\$ 328,111	\$ 311,865	\$ 265,682
Current Liabilities			
Accounts Payable and Accrued Expenses	\$ 73,218	\$ 79,262	\$ 58,305
Income Tax Payable	55	969	179
Current Portion of Long-Term Debt	3,042	2,799	5,718



Total Current Liabilities	76,315	83,030	64,202
Noncurrent Liabilities			
Long-Term Debt	102,291	83,974	70,947
Deferred Income Taxes	3,307	2,877	1,948
Other Noncurrent Liabilities	235	19	1,597
Total Noncurrent Liabilities	<u>105,833</u>	<u>86,870</u>	<u>74,492</u>
Shareholders' Equity	145,963	141,965	126,988
Total Liabilities and Shareholders' Equity	<u>\$ 328,111</u>	<u>\$ 311,865</u>	<u>\$ 265,682</u>